Borrego Springs Watermaster
Regular Board Meeting
March 10, 2022 @ 4:30 p.m.
Due to COVID-19 Meeting Available by Remote Access Only*

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Instructions for Public Comment

The public may address the Board on items within the Watermaster's Jurisdiction that are included or not included on the meeting agenda.

To address the Board on items that are not included on the meeting agenda, the public may request to speak during ***Agenda Item II – Public Correspondence***. Comments may be limited to three minutes per speaker.

To address the Board on items that are included on the meeting agenda, the Board Chairperson will call for public comments immediately following the agenda item's staff report presentation and prior to Board discussion.

AGENDA

Items with supporting documents in the Board Package are denoted with a page number.

I. OPENING PROCEDURES
- A. Call to Order
- B. Pledge of Allegiance
- C. Roll Call
- D. Approval of Agenda

II. PUBLIC CORRESPONDENCE/COMMENT
- A. Correspondence Received
- B. Public Comment

III. **CONSENT CALENDAR** (Action Item: All items may be approved with a single motion)
- A. Approval of Minutes: Special Meeting – February 2, 2022 ..... **Page 3**
- B. Approval of Minutes: Regular Meeting – February 10, 2022 ..... **Page 6**
- C. Approval of February 2022 Financial Report ..... **Page 10**
- D. Receive and file January 2022 Watermaster Staff invoices ..... **Page 17**

IV. ITEMS FOR BOARD CONSIDERATION AND POSSIBLE ACTION
- A. Hearing to Receive Comments on the Start-Up Period and Water Year 2021 Annual Report for the Borrego Springs Subbasin (ADAMS) ..... **Page 35**

  Recommendation: Conduct Hearing to receive comment and provide direction to staff, as needed, based on comments from the Hearing

B. Accept and File the Start-up Period and WY 2021 Financial Audit by LSL (ADAMS) **…… Page 226**
Recommendation: Accept and file the Start-up Period and WY 2021 Financial Audit by LSL.

C. DWR Prop 68 Grant Update – Presentation by Borrego Water District (ADAMS) …… **Page 244**
Recommendation: Discuss and request any desired changes to the scope and budget of the Prop 68 Grant project submission for Monitoring, Reporting, and GMP Update for Sustainable Management in the Borrego Springs Subbasin

D. Letter to BWD and DWR authorizing BWD to represent the projects submitted by the Watermaster under the 2021 SGMA Implementation Project for the Borrego Springs Subbasin (MALONE) **… Page 246**
Recommendation: Approve the enclosed letter to BWD and DWR authorizing BWD to represent the projects submitted by the Watermaster under the 2021 SGMA Implementation Project for the Borrego Springs Subbasin.

E. Agendas for Technical Advisory Committee and Environmental Working Group (MALONE) **…… Page 249**
Recommendation: (1) Approve the agenda for the next Technical Advisory Committee (TAC) meeting, with any recommended changes. (2) Approve the agenda for the next Environmental Working Group (EWG) meeting, with any recommended changes.

F. Borrego Water District Request for Watermaster Staff Support for Monitoring Well Construction under the DWR Technical Support Services Grant (MALONE) **…… Page 251**
Recommendation: (1) Discuss the request from Borrego Water District (BWD) for Watermaster Staff support to construct a monitoring well under the DWR Technical Support Services (TSS) Grant. (2) Provide direction to Staff or take any action as deemed necessary

G. Letter of Support for Grant Application: Multibenefit Land Repurposing Program (MALONE) **… Page 254**
Recommendation: Approve the enclosed letter of support for the County of San Diego's grant application to the California Department of Conservation for funding under the Multibenefit Land Repurposing Program.

V. REPORTS

A. Executive Director Reports – *verbal*
B. Legal Counsel Report – *verbal*
C. Technical Consultant Report – verbal
   a. Update on Status of Collaboration with DWR on groundwater level monitoring program
D. Chairperson's Report – *verbal*

VI. BOARD MEMBER COMMENTS

VII. NEXT MEETINGS OF THE BORREGO SPRINGS WATERMASTER

A. Special Board Meeting – Week of March 28th, 2022 – Date/Time TBD
B. Regular Board Meeting – Thursday, April 14, 2022 at 4:30 pm
C. Regular Board Meeting – Thursday, May 12, 2022 at 4:30 pm

VIII. ADJOURNMENT

MINUTES
BORREGO SPRINGS WATERMASTER SPECIAL BOARD MEETING
Conducted Virtually via GoToMeeting
Wednesday, February 2, 2022, 4:00 p.m.

I. Chairman Duncan called the meeting to order at 4:00 PM
II. Chairman Duncan led the meeting participants in the Pledge of Allegiance.
III. Samantha Adams, Executive Director (ED) called roll and confirmed that all members of the Board were present. The following individuals were present at the meeting:

Directors Present	Chair Dave Duncan – Borrego Water District (BWD)
	Vice Chair Shannon Smith – Recreational Sector
	Jim Bennett – County of San Diego
	Mike Seley – Agricultural Sector (arrived at 4:08 pm)
	Mark Jorgensen – Community Representative
Watermaster Staff Present	James M. Markman, Legal Counsel
	Samantha Adams, Executive Director, West Yost
	Andrew Malone, Lead Technical Consultant, West Yost
	Lauren Sather, Staff Scientist, West Yost
Others Present	Atley Keller, LGC
	David Garmon
	Diane Johnson (BWD Director)
	Kathy Dice, BWD Board Member
	Leanne Crow, Board Alternate – County of San Diego
	Leonardo Urrego-Vallowe, WBE, representing AAWARE
	Lori Paul
	Martha Deichler, Board Alternate – Community Representative
	Michele Staples, Jackson Tidus, representing AAWARE
	Peter Kellner
	Rich Pinel, Board Alternate – Recreational Sector
	Robert Staehle
	Steve Anderson, BB&K, representing BWD
	Tammy Baker, BWD Board Member
	Trey Driscoll, Dudek, representing BWD
	Tyler Bilyk, Board Alternate - Agricultural Sector

IV. Review, modification, and approval of Watermaster-proposed projects for Prop 68 Grant funding

Chair Duncan made some opening remarks about the Prop 68 grant application and Project Review Committee (PRC) process and asked two questions of Watermaster legal counsel and the Steve Anderson.

(1) *Regarding the process defined in the Judgment for the EWG, is the Watermaster required to confer with the EWG before taking action on items in the EWG purview?* Mr. Anderson responded that there is no legal requirement to confer with the EWG, but the Board can make a policy to do so. Mr. Markman explained that the EWG is an advisory body, but

Unapproved

conferring with them is not a pre-requisite for action. Vice Chair Smith noted that while conferring with the EWG may not be required, it is inadvisable to not confer with them. Chair Duncan added that while conferring with the EWG is preferred, in a fast-paced process like the Prop 68 grant, it is not always possible to do so.

(2) *Is the Bord required to follow EWG recommendations?* Mr. Markman stated that the Board is not required to act in accordance with EWG recommendations.

The Chair then turned the discussion over to staff. ED Adams and Mr. Malone explained that they would give a detailed presentation of each of the three Watermaster projects submitted to BWD for consideration of inclusion in the grant spending plan, the preliminary project scores and ranking, and the comments and questions received from the PRC during that day's PRC review meeting. ED Adams recommended that the Board open the floor to public comment and discuss and provide direction to staff following the presentation of each project. . ED Adams and Mr. Malone gave an overview of the PRC process and then the three projects, which included:

(1) review of the project submission Monitoring, Reporting and GMP Update

(2) review of the project submission Biological Restoration of Fallowed Lands, and

(3) review of the project submission GDE Monitoring Program.

During the course of the discussion, public comment was made by Martha Deichler, Tammy Baker, Diane Johnson, Kathy Dice, and David Garmon.

The key points of the discussion on Monitoring, Reporting and GMP Update included:

- The current Project Committee Scores are preliminary and subject to change.
- The project should be modified as follows:
  - Task 1: Remove the scope of work and costs associated with manual meter reads and de minimis pumpers.
  - Task 2: Remove the scope of work and costs associated with well siting for new monitoring well and aquifer testing to fil data gaps.
  - Task 3: Remove the scope of work and costs associated with the construction of a new monitoring well.
  - Task 9: Reduce the scope of work and cost of the recalculation of Sustainable Yield to include only the tasks recommended by the TAC in June 2021.
  - Task 11: Reduce the request for funding associated with Watermaster meetings.
  - Task 12: Reduce the cost of project management to reflect the reduction of the overall project cost.

Motion: Motioned by Director Bennett, seconded by Director Jorgensen, to approve the Monitoring, Reporting and GMP Update project with the modifications discussed and resubmit it to the PRC. *Motion carried unanimously by roll-call vote (5-0-0).*

The key points of the discussion on Biological Restoration of Fallowed Lands included:

- Director Seley reported interest in offering his agricultural land as a pilot test site for the project.

Unapproved

- While the project is valuable, it does not meet the scoring criteria very well, based on ranking by PRC members.

Motion 2: Motioned by Vice Chair Smith seconded by Director Jorgensen, to approve the Biological Restoration of Fallowed Lands project to move forward in the PRC review process with no changes. *Motion carried unanimously by roll-call vote (5-0-0).*

The key points of the discussion on GDE Monitoring Program included:

- The project was scored low and may not get funded in the spending plan.
- Regardless of if the project is funded in this grant, future collaboration with and input from Tubb Canyon on the scope of and could be beneficial.
- Vice Chair Smith noted that Watermaster Rules and Regulations (Section 2.6.8) and Judgment Section IV.C require that Watermaster maintain full oversight in the exercise of the powers under the Judgment. Specifically, any technical advisor or contractor performing services that concern technical or policy matters must be selected by the Watermaster through a specific RFP process unless agreed by a Supermajority Vote. While there is room for sharing of ideas, it is prudent to consider and be clear on these requirements before Watermaster can jointly implement a project. Vice Chair Smith requested that Counsel Markman prepare an opinion for the Board on the matter for clarification.

Motion: Motioned by Vice Chair Smith, seconded by Director Seley, to approve the GDE Monitoring Program project to move forward in the PRC review process with no changes. *Motion carried by majority vote of 3-1-1. Director Jorgensen voted no; Chair Duncan abstained from the vote.*

V. Adjournment

A. Chairman Duncan adjourned the meeting at 6:15 PM.

Recorded by:
Lauren Sather, West Yost Staff

Attest:
Shannon Smith, Vice Chairperson, Secretary, and Treasurer of the Board

Unapproved

MINUTES
BORREGO SPRINGS WATERMASTER BOARD MEETING
Conducted Virtually via GoToMeeting
Thursday, February 10, 2022, 4:30 p.m.

I. Opening Procedures

A. Chair Duncan called the meeting to order at 4:30 PM
B. Chair Duncan led the meeting participants in the Pledge of Allegiance.
C. Executive Director (ED) Samantha Adams called roll and confirmed that all members of the Board were present. The following individuals were present at the meeting:

Directors Present	Chair Dave Duncan – Borrego Water District (BWD)
	Vice Chair Shannon Smith – Recreational Sector
	Jim Bennett – County of San Diego
	Mike Seley – Agricultural Sector
	Mark Jorgensen – Community Representative
Watermaster Staff Present	James M. Markman, Legal Counsel
	Samantha Adams, Executive Director, West Yost
	Andrew Malone, Lead Technical Consultant, West Yost
	Lauren Sather, Staff Scientist, West Yost
Others Present	Cathy Milkey, T2 Borrego LLC
	David Garmon
	Diane Johnson (BWD Director)
	Geoff Poole, BWD General Manager
	Jessica Clabaugh, BWD Finance Officer
	Kathy Dice, BWD Board Member
	Leanne Crow, Board Alternate – County of San Diego
	Leonardo Urrego-Vallowe, WBE, representing AAWARE
	Martha Deichler, Board Alternate – Community Representative
	Michele Staples, Jackson Tidus, representing AAWARE
	Rich Pinel, Board Alternate – Recreational Sector
	Steve Anderson, BB&K, representing BWD
	Tammy Baker, BWD Board Member
	Trey Driscoll, Dudek, representing BWD
	Tyler Bilyk, Board Alternate - Agricultural Sector

II. Public Correspondence

A. Correspondence Received. None
B. Public Comments. Chair Duncan called for public comments. No public comments were made.

III. Consent Calendar. Chair Duncan called for any discussion on the Consent Calendar items included in the February 10, 2022 agenda package. There was no discussion.

Motion: Motioned by Vice Chair Smith, seconded by Director Seley to approve the Consent Calendar. *Motion carried unanimously by roll-call vote (5-0-0).*

Unapproved

IV. Closed Session: The Board of Directors entered into a closed session at 4:42 PM. The public meeting was reconvened at 5:30 PM. There were no reportable actions from the closed session.

V. Items for Board Consideration and Possible Action

A. *DWR Grant Application for SGMA Implementation: Update and Next Steps.* ED Adams summarized the memo in the agenda package. At the conclusion of the presentation, Chair Duncan opened the floor to public comment, followed by Board discussion. Public comment was made by Kathy Dice, Cathy Milkey, Martha Deichler, and Steve Anderson. No Board action was taken.

The key points of discussion included:

- The final set of projects seem lacking in actions to achieve sustainability. The grading criteria used to rank the projects submitted for grant funding was more heavily weighted towards projects focused on supporting disadvantaged communities.
- The grant spending plan has yet to be reviewed and approved by the DWR and there is still an opportunity for the two projects included in the Spending Plan to be fully funded if other higher-ranked projects are deemed ineligible by the DWR.
- While the Groundwater Dependent Ecosystem (GDE) Monitoring Program project proposed by Watermaster was not selected for inclusion in the grant Spending Plan, it is still important and Watermaster should consider other avenues for funding once a scope of work is reviewed and refined with the EWG.
- The BWD Agreement enclosed in the agenda package for the Sustainable Groundwater Management Grant Program is still in draft form and modifications are possible. Some noted challenges with the agreement included: there are no repercussions for mistakes by BWD as grantee and the agreement has a very harsh and unfavorable indemnity clause.

Following the discussion, the Board directed the following:

- Staff to schedule an EWG meeting where the EWG will review the GDE project and refine the scope of work and explore options on how to get funding to implement it.
- Mr. Markman to discuss with Steve Anderson possible changes to the BWD Agreement for the Sustainable Groundwater Management Grant Program.

B. *Annual Change in Basin Storage for DWR Reporting.* Andy Malone summarized the memo in the agenda package and gave a detailed presentation on the process to compute change in storage and the draft result of the change in storage from spring 2020 to spring 2021. At the conclusion of the presentation, Chair Duncan opened the floor to public comment, followed by Board discussion. Public comment was made by Diane Johnson and Michele Staples.

The key points of discussion included:

- The annual change in groundwater storage estimates reported to the DWR are a regulatory requirement and are not used to change basin management decisions.
- Staff is currently in communication with the DWR to get access to more monitoring wells, especially in the northern part of the basin. Staff can give an update of progress at a future Board meeting.

Unapproved

- Through the DWR Technical Support Services (TSS) grant there is an opportunity to fund the construction of a new monitoring well in the northern part of the Basin. BWD has been working with DWR on the TSS grant.

C. *Review of Watermaster Budget Status.* ED Adams summarized the memo in the agenda package. At the conclusion of the presentation, Chair Duncan opened the floor to public comment, followed by Board discussion. There were no public comments.

The key points of discussion included:

- Once the final grant spending plan has been approved by DWR, Staff will prepare a cash flow assessment to determine how the DWR grant will affect Watermaster's cash reserves and assessment for WY 2023.

VI. Reports.

A. Legal Counsel Report.
- Status of Motion re: Unpaid Assessments. Watermaster has received the payment for the largest unpaid assessment.
- Report out from December 9, 2021 Court hearing on Recordation of the Judgment. The recordation was successful. The San Diego County Registrar was very helpful. We should do a test to pull the records on a property in the Basin. Vice Chair Smith offered to allow the test to be done on a T2 parcel.

B. Executive Director Reports. ED Adams reported on the following items:
- Reminder of the schedule to complete the Annual Report to the Court and DWR.
- Non-payment of invoices. Staff continues to send aging reports on outstanding pumping assessments or any other payments that are outstanding. Staff will consider the need to bring these to the court as part of the April hearing.
- Metering of pumping wells. 5 wells are still not in compliance.
    - 2 parties have telemetry that is not reporting but Staff have not had success getting an entry permit to access the wells for manual reads.
    - 1 party is unresponsive. However, they are paying their invoices.
    - 1 party leased their property. Staff is currently working with the lease to meter the well.
    - 1 party is not currently pumping due to the pump being non-operational. If the pump can be fixed, a meter will be installed.
- Update on compliance with Fallowing Standards. Board directed Staff to get a legal opinion on how to resolve the issue of Parties not being able to meet the fallowing requirements for conversion of water credits to BPA due to property access issues.

C. Chairperson's Report. NONE

VII. Board Member Comments. Chair Duncan called for comments.

- Director Jorgenson requested an update on how the golf courses in Borrego Springs plan to comply with the Rampdown and an update on the plans for Rams Hill on pursuing another golf course. Vice Chair Smith reported that the Borrego Springs Resort Golf Course has closed, the De Anza Golf Course is planning to implement a turf reduction program, and Ram's Hill has purchased additional BPA rights. He also reported that all three parties are all currently in

Unapproved

compliance with the Judgement. The golf course is the subject of discussion with the Borrego Sponsor group and that is the appropriate venue for those updates.

VIII. **Next Meetings of the Borrego Springs Watermaster.** Chair Duncan reviewed the dates and potential agenda items for the next Board meeting. The next meetings are:

A. Regular Board Meeting – Thursday, March 10, 2022 at 4:30 pm.
B. Special Board Meeting – Week of March 28 – Date/Time TBD
C. Regular Board Meeting – Thursday, April 14, 2022 at 4:30 pm.

IX. Adjournment

A. Chair Duncan adjourned the meeting at 7:11 PM.

Recorded by:
Lauren Sather, West Yost Staff

Attest:
Shannon Smith, Vice Chairperson, Secretary, and Treasurer of the Board

Unapproved

11:05 AM

03/01/22

Accrual Basis

Borrego Springs Watermaster
Profit & Loss for Fiscal Year 2021-2022
October 2021 through February 2022

	Oct 21	Nov 21	Dec 21	Jan 22	Feb 22	TOTAL
Ordinary Income/Expense						
Income						
Baseline Pumping Assessment	0.00	228,964.92	0.00	0.00	0.00	228,964.92
Fee Reimbursed by Parties	0.00	0.00	0.00	9.00	0.00	9.00
Meter Read Reimbursement	8,411.34	0.00	0.00	0.00	0.00	8,411.34
Total Income	8,411.34	228,964.92	0.00	9.00	0.00	237,385.26
Expense						
Consulting Services	0.00	60,461.82	38,017.09	30,750.50	65,429.75	194,659.16
Consulting Services- Meter Read	0.00	1,212.75	66.75	116.25	144.25	1,540.00
Legal	0.00	20,122.50	11,910.50	13,836.96	11,509.79	57,379.75
Meter Read Expenses	326.46	0.00	1,380.51	0.00	0.00	1,706.97
Reimbursed to BWD for GSP	0.00	0.00	7,800.83	4,130.95	0.00	11,931.78
Reimbursed to Settling Parties	0.00	0.00	10,100.96	0.00	0.00	10,100.96
Service Charge to be Reimbursed	0.00	0.00	9.00	0.00	0.00	9.00
Total Expense	326.46	81,797.07	69,285.64	48,834.66	77,083.79	277,327.62
Net Ordinary Income	8,084.88	147,167.85	(69,285.64)	(48,825.66)	(77,083.79)	(39,942.36)
Net Income	**8,084.88**	**147,167.85**	**(69,285.64)**	**(48,825.66)**	**(77,083.79)**	**(39,942.36)**

11:00 AM

03/01/22

Accrual Basis

Borrego Springs Watermaster
Balance Sheet for Fiscal Year 2021-2022
As of February 28, 2022

	Feb 28, 22
ASSETS	
Current Assets	
Checking/Savings	
Union Bank - Checking	729,185.01
Total Checking/Savings	729,185.01
Accounts Receivable	
Accounts Receivable	46,023.62
Total Accounts Receivable	46,023.62
Total Current Assets	775,208.63
TOTAL ASSETS	**775,208.63**
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
20000 · Accounts Payable	77,083.79
Total Accounts Payable	77,083.79
Total Current Liabilities	77,083.79
Total Liabilities	77,083.79
Equity	
32000 · Retained Earnings	738,067.20
Net Income	-39,942.36
Total Equity	698,124.84
TOTAL LIABILITIES & EQUITY	**775,208.63**

11:04 AM
03/01/22
Accrual Basis

Borrego Springs Watermaster
Expense Distribution Detail
February 2022

Type	Date	Num	Memo	Account	Amount
RWG Law					
Bill	02/11/2022	235654	services rendered through January 31, 2022	Legal	11,509.79
Total RWG Law					11,509.79
West Yost & Associates					
Bill	02/04/2022	2048221	Services from January 1, 2022 to February 4, 2022	Consulting Services- Meter Read	144.25
Bill	02/04/2022	2048221	Services from January 1, 2022 to February 4, 2022	Consulting Services	65,429.75
Total West Yost & Associates					65,574.00
TOTAL					**77,083.79**

Borrego Springs Watermaster

3/1/2022 11:03 AM

Register: Union Bank - Checking

From 02/01/2022 through 02/28/2022

Sorted by: Date, Type, Number/Ref

Date	Number	Payee	Account	Memo	Payment	C	Deposit	Balance
02/10/2022	2053	RWG Law	20000 · Accounts Payable	Services rendered thro...	13,836.96			699,503.00
02/10/2022	2054	West Yost & Associates	20000 · Accounts Payable	Professional Services f...	30,866.75			668,636.25
02/23/2022			-split-	Deposit		X	60,548.76	729,185.01

Interim Borrego Springs Watermaster
Budget Status Report
October 2021 through February 2022

	YTD Actuals	Budget	Budget Remaining	% of Budget
Revenues				
Total Value for Baseline Pumping Assessment	228,964.92	458,000.00	229,035.08	49.99%
Total Value for Fee Reimbursed by Parties	9.00	0.00	(9.00)	0.0%
Total Value for Reimbursed to BWD for GSP	0.00	101,313.06	101,313.06	0.0%
Total Value for Meter Read Reimbursement	8,411.34	8,411.34	0.00	100.0%
Total Value for Reimbursement to Settling Parties	0.00	0.00	0.00	0.0%
Subtotal Revenue for Current Fiscal Year	237,385.26	567,724.40	330,339.14	41.81%
Recap of Revenue Flow				
Amount Invoiced in Prior Fiscal Year — Baseline Pumping Assessment	1,159,488.75			
Amount Invoiced in Prior Fiscal Year — Reimbursed to BWD for GSP	101,313.06			
Amount Invoiced in Prior Fiscal Year — Meter Read Reimbursement	6,809.18			
Amount Invoiced in Prior Fiscal Year — Reimbursement to Settling Parties	10,816.63			
Amount Received	1,469,789.26			
Amount Outstanding	46,023.62			
Subtotal of Revenue Flow	237,385.26	0.00	0.00	100.0%
Total Revenue	237,385.26	567,724.40	330,339.14	41.81%
Expenditures				
Operating Expenses				
Consulting Services	194,659.16	547,003.00	352,343.84	35.59%
Legal	57,379.75	50,000.00	(7,379.75)	114.76%
License and Permit Fees	0.00	0.00	0.00	0.0%
Office Supplies	0.00	0.00	0.00	0.0%
Service Charge to be Reimbursed	9.00	0.00	(9.00)	100.0%
Website Hosting	0.00	0.00	0.00	0.0%
Subtotal Operating Expenses	252,047.91	597,003.00	344,955.09	42.22%
Reimbursement to BWD — *Pass Thru Expense*				
Reimbursement to BWD for GSP	11,931.78	101,313.06	89,381.28	11.78%
Subtotal Reimbursement to BWD — *Pass Thru Expense*	11,931.78	101,313.06	89,381.28	11.78%
Meter Read Expenses				
Consulting Services- Meter Read	1,540.00			
Meter Read Expenses	1,706.97			
Subtotal Meter Read Expenses	3,246.97	8,411.34	5,164.37	38.6%
Payment to Settling Parties — *Pass Thru Expense*				
Payment to Settling Parties	10,100.96			
Subtotal Reimbursement to BWD — *Pass Thru Expense*	10,100.96	0.00	0.00	0.0%
Total Expenditures	277,327.62	706,727.40	439,500.74	39.24%
Net Income	**(39,942.36)**	**(139,003.00)**	**(99,060.64)**	**28.74%**

Summary of Administrative and Technical Services Budget Spent to Date

As of 2/4/2022

Task	Approved Budget	Oct-21	Nov-21	Dec-21	Jan-22	Total Spent	Remaining Budget[1]
Totals	$560,984	$61,674.57	$38,083.84	$30,866.75	$65,574	$196,199	$366,325.24
Task 1 - Meetings and Court Hearings	**$109,340**	**$12,960.50**	**$11,521.50**	**$5,984.00**	**$10,190.00**	**$40,656.00**	**$68,684.40**
Task 1.1 - Board Meetings	$73,812	$7,803.00	$ 8,336.75	$5,583.50	$9,789.50	$31,512.75	$42,299.65
Task 1.2 - TAC Meetings	$29,938	$5,157.50	$ 3,184.75	$0.00	$0.00	$8,342.25	$21,595.75
Task 1.3 - Court Hearings	$5,590	$0.00	$0	$400.50	$400.50	$801.00	$4,789.00
Task 2 - Watermaster Administration and Management	**$73,809**	**$13,855.25**	**$8,150.75**	**$2,987.25**	**$6,222.75**	**$31,216.00**	**$42,593.00**
Task 2.1 - Prepare Watermater Budget	$10,994	$0	$0.00	$0.00	$0.00	$0.00	$10,994.00
Task 2.2 - Accounting and Financials Services	$12,684	$1,586.25	$1,650.00	$792.00	$2,682.50	$6,710.75	$5,973.25
Task 2.3 - Annual water rights accounting and pumping assessment calc.	$14,996	$9,650.25	$3,547.50	$0.00	$0.00	$13,197.75	$1,798.25
Task 2.4 - Management of Records, Documents, and Website	$4,188	$492.00	$334.00	$375.75	$375.75	$1,577.50	$2,610.50
Task 2.5 - Track/Respond to Public Communications and Requests	$2,595	$0.00	$0.00	$0.00	$0.00	$0.00	$2,595.00
Task 2.6 - As-needed support to the BPA Parties	$6,810	$484.00	$622.25	$333.75	$1,260.25	$2,700.25	$4,109.75
Task 2.7 - As-requested admin. of the Judgment, Rules & Regs, and GMP	$10,542	$676.00	$1,083.00	$534.00	$1,001.25	$3,294.25	$7,247.75
Task 2.8 - General administration and project managements tasks	$11,000	$966.75	$914.00	$951.75	$903.00	$3,735.50	$7,264.50
Task 3 - Technical Services	**$286,124**	**$32,536.32**	**$12,275.34**	**$4,084.50**	**$11,893.25**	**$60,789.41**	**$225,334.59**
Task 3.1a - Collect and review annual meter calibration/accuracy reports	$6,144	$1,014.75	$411.25	$0.00	$167.00	$1,593.00	$4,551.00
Task 3.1b - Collect, catalog monthly meter reads and calculate pumping	$20,490	$2,045.50	$1,773.75	$1,651.50	$1,562.00	$7,032.75	$13,457.25
Task 3.2 - Implement Interim Groundwater Monitoring Program	$54,932	$22,587.07	$4,398.59	$0.00	$483.00	$27,468.66	$27,463.34
Task 3.3 - Maintain Database Management System (HydroDaVE)	$11,273	$0.00	$0.00	$0.00	$0.00	$0.00	$11,273.00
Task 3.4 - CASGEM Compliance (fall 2021 and spring 2022 reporting)	$1,240	$0.00	$0.00	$250.50	$0.00	$250.50	$989.50
Task 3.5 - Combined Annual Report to the Court and DWR	$31,920	$0.00	$624.75	$671.75	$5,047.25	$6,343.75	$25,576.25
Task 3.6 - As-needed support for implementation of the Judgment, Rules & Regs, and GMP (e.g. review of fallowing standards compliance)	$14,120	$0.00	$4,397.75	$1,243.75	$1,319.00	$6,960.50	$7,159.50
Task 3.7a - Collect data and information from DWR and others	$6,220	$567.50	$0.00	$267.00	$0.00	$834.50	$5,385.50
Task 3.7b - Compare Model-Estimated vs Metered Pumping at Wells	$89,030	$6,321.50	$669.25	$0.00	$0.00	$6,990.75	$82,039.25
Task 3.7b - Dudek sub-consultant services to support model updates	$20,500	$0.00	$0.00	$0.00	$0.00	$0.00	$20,500.00
Task 3.8 - Start Development of Work Plan for a Groundwater Quality Monitoring Program	$20,258	$0.00	$0.00	$0.00	$0.00	$0.00	$20,258.00
Task 3.9 - TAC: Address Ad Hoc Requests from the Board	$9,997	$0.00	$0.00	$0.00	$3,315.00	$3,315.00	$6,682.00
Task 4 - Environmental Working Group	**$37,080**	**$1,109.75**	**$809.75**	**$2,136.00**	**$6,288.75**	**$10,344.25**	**$26,735.75**
Task 4.1 - EWG Meetings and Report Out to Board	$14,005	$575.75	$809.75	$0.00	$0.00	$1,385.50	$12,619.50
Task 4.2 - Biological Restoration Plan	$17,606	$534.00	$0.00	$1,068.00	$3,614.75	$5,216.75	$12,389.25
Task 4.3 - GDE Monitoring Workplan	$5,469	$0.00	$0.00	$1,068.00	$2,674.00	$3,742.00	$1,727.00
Task 5 - DWR Grant	**$54,631**	**$0.00**	**$5,259.75**	**$15,558.75**	**$30,835.00**	**$51,653.50**	**$2,977.50**
Prepare Comment Letter on Draft Guidelines and PSP	$5,264	$0.00	$5,259.75	$0.00	$0.00	$5,259.75	$4.25
Prepare Draft Spending Plan and Support Grant Application Process	$49,367	$0.00	$0.00	$15,558.75	$30,835.00	$46,393.75	$2,973.25
Staff Services Billed to Watermaster to be Reimbursed by Parties with Manual-Read Meters	**$0**	**$1,212.75**	**$66.75**	**$116.25**	**$144.25**	**$1,540.00**	**($1,540.00)**
Coordinate Manual-Read Metering with BWD/Parties	$0	$1,212.75	$66.75	$116.25	$144.25	$1,540.00	($1,540.00)

1 -- This is the total remaining assuming reimbursement of staff services billed to Watermaster by Parties with manual-read meters.

Summary of Legal Services Budget
Spent to Date

Approved Budget[1]	$50,000
Oct-21	$20,122.50
Nov-21	$11,910.50
Dec-21	$13,836.96
Jan-22	$11,509.79
Feb-22	
Mar-22	
Apr-22	
May-22	
Jun-22	
Jul-22	
Aug-22	
Sep-22	
Total Spent	$57,379.75
Remaining Budget	($7,380)

WEST YOST
Water. Engineered.

Approved for Payment on
March 7, 2022

Remit Payment To:
2020 Research Park Drive, Suite #100
Davis, CA 95618

February 4, 2022

Invoice Number: 2048221

Accounts Payable	Client Project:	Work Order No. 3
Borrego Springs Watermaster	WY Project No:	940-80-21-02
c/o West Yost Associates	Contract Amount:	560,984.00
23692 Birtcher Drive	Job Name:	WY 2022 Admin Tech Services
Lake Forest, CA 92630		

Professional Services from January 1, 2022 to February 4, 2022

Previously Billed :	**130,625.16**
Total This Period :	**65,574.00**
Total Amount Billed to Date including This Invoice :	**196,199.16**
Amount Remaining in Contract :	**364,784.84**

Project 940-80-21-02 WY 2022 Admin Tech Services Invoice 2048221

Professional Personnel

	Hours	Rate	Amount	
Principal Engineer III/Scientist III				
Chung, Greg	.25	285.00	71.25	
Principal Engineer II/Scientist II				
Adams, Samantha	57.25	267.00	15,285.75	
Principal Engineer II/Scientist II				
Malone, Andy	72.50	267.00	19,357.50	
Principal Engineer I /Scientist I				
Chiang, Eric	5.50	253.00	1,391.50	
Supervising Engineer/Scientist I				
Weamer, Veva	3.50	230.00	805.00	
Staff Engineer/Scientist II				
McCord, Emily	4.75	167.00	793.25	
Salberg, Lauren	19.50	167.00	3,256.50	
Sather, Lauren	103.75	167.00	17,326.25	
Staff Engineer/Scientist I				
Alonzo, Terrinda	1.00	155.00	155.00	
Arevalo, Andrea	10.00	155.00	1,550.00	
Admin Assistant				
Ehresman, Leah	.50	132.00	66.00	
Paredes, Cynthia	2.00	132.00	264.00	
Admin Assistant				
Deahr, Patricia	2.00	132.00	264.00	
Mendoza-Tellez, Maria	19.00	132.00	2,508.00	
Totals	301.50		63,094.00	
Total Labor				**63,094.00**

Subconsultants

Land IQ, LLC			2,480.00	
Total Subconsultants			**2,480.00**	**2,480.00**
		Total this Invoice		**$65,574.00**

Description of Services:

See attached description of services.

Outstanding Invoices

Number	Date	Balance
2047941	12/31/2021	30,866.75
Total		**30,866.75**

Please direct questions to:

Project Manager Samantha Adams
Principal Greg Chung GKC

Description of Services Rendered
Project 940-80-20-02
Watermaster Administrative and Technical Services
Invoice Period: 1/1/2022 to 2/4/2022

TASK 1 – MEETINGS AND COURT HEARINGS

The work performed for this task includes preparing for and attending Watermaster Board Meetings, Technical Advisory Committee (TAC) Meetings and Court Hearings. This includes coordinating with the Board, legal counsel, TAC members to prepare agenda packages, preparing presentation materials, leading the meetings, and preparing minutes. The work performed in this reporting period included:

TASK 1.1 – BOARD MEETINGS

- Corresponded with Watermaster Board officers and legal counsel throughout the month to coordinate meeting agenda items and other Watermaster activities.
- January 10, 2022 Special Board meeting
    - Prepared the agenda and package content.
    - Compiled the package and distributed via the stakeholder distribution list and Watermaster website.
    - Coordinated with the Borrego Water District on presentation of DWR grant information.
    - Attended the Board meeting. The meeting was attended by Samantha Adams, Andy Malone, and Lauren Sather.
- January 13, 2022 Regular Board meeting
    - Drafted meeting minutes for the December 9, 2021 Regular Board meeting.
    - Finalized the agenda and package content. This work included finalizing the consent calendar and the following Board memos:
        - Consideration of Approval of a Real Estate Transfer Disclosure Statement
        - Consideration of Approval to Contract the Watermaster's Annual Financial Audit
        - Watermaster WY 2021 Annual Report – Report Outline and Schedule for Review and Submittal to DWR and Court
        - Methods to Estimate Annual Change in Basin Storage
        - DWR Grant Application for SGMA Implementation: Update and Possible Action
    - Compiled the package and distributed via the stakeholder distribution list and Watermaster website.

  - Prepared PowerPoint Presentation to support the Board meeting discussion.
  - Attended the Board meeting. The meeting was attended by Samantha Adams, Andy Malone, and Lauren Sather.
- February 2, 2022 Special Board meeting
  - Prepared the agenda and noticed the meeting.
  - Compiled the package content and distributed via the stakeholder distribution list and Watermaster website.
  - Attended the Board meeting. The meeting was attended by Samantha Adams, Andy Malone, and Lauren Sather.
- Began preparing the agenda and package for the February 10, 2022 Regular Board meeting. This work included:
  - Prepared punch list of agenda items for the Board meeting. Drafted agenda, created meeting link, and coordinated assignments for preparing the package.
  - Began organizing consent calendar items.

TASK 1.3 – COURT HEARINGS

- Corresponded with Watermaster legal counsel regarding the January Court hearing on the motion to collect unpaid assessments.

TASK 2 – WATERMASTER ADMINISTRATION

The Executive Director, with support from staff, will organize, oversee, and/or perform the administrative and management aspects of running the Watermaster and administering the Judgment, Rules and Regulations, and GMP. The work performed in this reporting period included:

TASK 2.2 – INSURANCE, ACCOUNTING, AND FINANCIAL SERVICES

- Processed accounts receivable into QuickBooks.
- Processed accounts payable into QuickBooks.
- Cut checks for accounts payable and mailed for signature.
- Traveled to Union Bank in Laguna Hills, CA to deposit checks
- Prepared December Financial Report to the Board.
- Ran aging report of unpaid invoices to support communication to Parties.
- Coordinated with LSL accountants to prepare the start-up period financial audit.

TASK 2.4 – MANAGEMENT OF WATERMASTER RECORDS, DOCUMENTS, AND WEBSITE

- Sent documents to Board Secretary and Chairman for signature.
- Posting the following to Watermaster's Website.
  - Recent meeting minutes and resolutions.
  - Court public listening line information.
  - New Seller Disclosures document.

TASK 2.6 – AS-NEEDED SUPPORT TO THE BPA PARTIES

- Provided general as-requested support to BPA parties throughout the month by responding to emails and taking phone calls.
- Began drafting letter to those parties that overproduced in WY 2021 reminding of mitigation measures to avoid Overproduction Assessment.
- Email communications to Parties on past due WY 2022 assessments.
- Correspondence regarding metering and requirements to meter if well is not in operation.
- Correspondence and support to fill out permanent transfer forms.

TASK 2.7 – AS-NEEDED ADMINISTRATION OF THE TERMS OF THE JUDGMENT, RULES & REGULATIONS, AND GROUNDWATER MANAGEMENT PLAN

- Prepared and sent letter to the Borrego Water District Re: DWR Grant Process.
- Corresponded with legal counsel regarding the water credits conversion to BPA and the status of BPA property that sold since entry of Judgment.
- Reviewed water credit program report and composed questions to BWD on easements for right of entry to support fallowing standards implementation.

TASK 2.8 – OTHER GENERAL ADMINISTRATION AND PROJECT MANAGEMENTS TASKS

- Performed monthly project management tasks including budget, schedule, and scope of work progress evaluations.
- Executed approved subconsultant agreements with Land IQ (Biological Restoration Plan for EWG).
- Follow-up with Dudek on executing subconsultant agreements to support to Safe Yield tasks.

TASK 3 – WATERMASTER ADMINISTRATION

The objective of this task is for the Technical Consulting team to perform the technical services required by the Judgment, Rules and Regulations, and GMP for WY 2022. The work performed in this reporting period included:

TASK 3.1A – ANNUAL COLLECTION AND REVIEW OF THE REQUIRED METER CALIBRATION AND ACCURACY TESTS.

- Corresponded with Parties on meter accuracy testing requirements and reviewed new accuracy tests received.

3.2B – MONTHLY COLLECTION AND PROCESSING OF METER READ DATA. *NOTE: THIS TASK DOES NOT INCLUDE WORK TO COORDINATE OR PERFORM METER READING SERVICES AT MANUAL-READ METERS*

- Cataloged and processed December monthly meter reads.
- Calculated December 2021 pumping by well.

TASK 3.2 – IMPLEMENT INTERIM GMP MONITORING PROGRAM

- Coordinated with Blaine Tech Services to schedule March 2022 sampling event.

- Setting appointments with well owners for the March 2022 sampling event.

Task 3.5 – Prepare Combined Annual Report to Court and DWR

- Prepared report template for the combined Annual Report to the Court and DWR.
- Began to technical work to compute the change in storage change from spring 2020 to spring 2021.

Task 3.6 – As-needed technical support for implementation of the Judgment, Rules and Regulations, and Groundwater Management Plan

- Reviewed and responded to multiple communications received from the public regarding construction of new wells and Watermaster's application process.
- Researched DWR requirements to transition from reporting groundwater levels in CASGEM to the new SGMA reporting system.
- Prepared for and attended a meeting with DWR to review the required transition from reporting groundwater levels in CASGEM to the new SGMA reporting system. The meeting was attended by Lauren Sather and Emily McCord.

Task 3.9 – Address Ad Hoc Requests of TAC from the Board

- Prepared a draft technical memorandum (TM) titled: Proposed Methods to Estimate Annual Storage Change in the Borrego Springs Subbasin, and sent to TAC members for review and comment on January 24, 2022. Updated TM based on comments received from TAC members.
- Performed storage change calculations for Water Year 2020 to confirm that the proposed methodology reproduces similar result to those produced by Dudek per plan developed by the TAC.
- Coordinated with TAC members regarding the siting location options for a new monitoring well that will be constructed by DWR for the Technical Support Services grant that BWD has applied for with the DWR.

Task 4 – Environmental Working Group

The objective of this task is to support the activities of the EWG in WY 2022. The work performed in this reporting period included:

Task 4.2 – Biological Restoration Plan

- Collaborated with Land IQ to develop a workplan to support planning for the biological restoration of fallowed agricultural land. Attached is the invoice for work performed by Land IQ.

Task 4.3 - Prepare GDE Monitoring Workplan

- Develop draft scope of work to develop a GDW monitoring workplan per December 2021 discussion with EWG.

TASK 5 – SUPPORT PREPARATION OF THE PROP 68 DWR GRANT APPLICATION

The goal of this task is to support a DWR Grant Application for SGMA Implementation Funding of Planning Efforts and Projects in the Borrego Springs Subbasin. The work performed in this reporting period included:

- Corresponded regularly with BWD staff and their grant consultant throughout the month. This included preparing for and attending numerous meetings with DWR and BWD staff to coordinate actions and support the project review process:
    - January 3, 2021 with BWD and West Yost staff to discuss/coordinate on projects that both WM and BWD are considering, and to conduct any needed preparation for the Special Meeting with DWR and the upcoming Board Meeting(s). Meeting was attended by Andy Malone and Samantha Adams.
    - January 5, 2022 with DWR and BWD team to coordinate for the information meeting with DWR. Meeting was attended by Andy Malone.
    - January 18, 2022 with BWD team to coordinate on project details and costs. Meeting was attended by Andy Malone and Lauren Sather.
    - February 2, 2022 with DWR and BWD team to discuss progress on the grant application and to get answers to questions. Meeting was attended by Andy Malone and Samantha Adams.
- Prepared a list of grant-related questions for the DWR to present at the DWR stakeholder information and Q&A meeting on January 6th.
- Attended the stakeholder information meeting hosted by DWR on January 6th for Q&A with Watermaster and BWD. Meeting was attended by Andy Malone, Samantha Adams, and Lauren Sather. Documented DWR input and shared with BWD for distribution to stakeholders.
- Corresponded with Watermaster parties on their project proposals and to support the compilation of the required proposal submission forms.
- Worked on preparing required grant submission details, including scopes of work, costs estimates, and documentation of how projects satisfy grant criteria for the following Watermaster projects.
    - Monitoring and Reporting for Sustainable Management (including Redetermination of Sustainable Yield by 2025)
    - Biological Restoration of Fallowed Lands
    - GDE Monitoring Program
- Compiled and submitted draft Watermaster project submittals to the BWD on January 20, 2022.
- Responded to questions from Watermaster Board Members, BWD Board members, legal counsel, and members of the public regarding the grant application and Watermaster proposed project submissions.
- Corresponded with the Watermaster members of the BWD's Project Review Committee (PRC) to support their participation in the PRC to score project submissions.

- Prepared for and attended the following PRC Meetings:
    - January 21, 2022 PRC kick-off meeting. Meeting was attended by Samantha Adams.
    - January 26, 2022 PRC Project Q&A Session. Meeting was attended by Andy Malone.
    - February 2, 2022 PRC project evaluation. Meeting was attended by Andy Malone and Samantha Adams.
    - February 3, 2022 PRC project evaluation. Meeting was attended by Andy Malone, Samantha Adams, and Lauren Sather.
- Prepared a detailed presentation on the Watermaster Project submittals and the PRC review comments and questions for review with the Watermaster Board at its February 2, 2022 Special Board meeting.
- Revised the scope of work and cost estimate, and associated project submission forms, for the Watermaster's project submission on Monitoring and Reporting for Sustainable Management (including Redetermination of Sustainable Yield by 2025). The revised cost estimate was submitted to BWD on February 3, 2022.
- Distributed and posted all PRC meeting notices and materials on Watermaster's website.

STAFF SERVICES BILLED TO WATERMASTER TO BE REIMBURSED BY PARTIES WITH MANUAL-READ METERS

- Follow up communication with parties that did not provide meter read information for the month of December.
- Review and approve BWD meter reading invoice.

INVOICE ATTACHMENT

INVOICE

Land IQ, LLC
2020 L Street
Suite 210
Sacramento, CA 95811
www.landIQ.com

West Yost Associates, Inc.
Attn: Accounts Payable
806 Palm Canyon Drive
Borrego Springs, CA 92004

Invoice Date:	01/31/22
Total Amount:	$2,480.00
Number:	4591
Invoice Period:	01/01/22 - 01/31/22
Job Number:	940-80-21-02
Engagement:	Borrego Springs Watermaster

Summary of Charges

Description	Amount
Task 1 - Professional Services	$2,480.00
TOTAL AMOUNT DUE	**$2,480.00**

SUMMARY OF TIME CHARGES

Source	Hrs	Rate	Amount
Task 1 - Professional Services			
Robert Travis Brooks	16.00	$155.00	$2,480.00
Task 1 - Professional Services	**16.00**		**$2,480.00**
TOTAL FEES	**16.00**		**$2,480.00**

TIME DETAIL

Date	Task		Hrs	Rate	Amount
Robert Travis Brooks					
01/03/22	Task 1 - Professional Services		1.00	$155.00	$155.00
01/05/22	Task 1 - Professional Services		3.00	$155.00	$465.00
01/06/22	Task 1 - Professional Services		2.00	$155.00	$310.00
01/10/22	Task 1 - Professional Services		4.00	$155.00	$620.00
01/15/22	Task 1 - Professional Services		5.00	$155.00	$775.00
01/18/22	Task 1 - Professional Services		0.50	$155.00	$77.50
01/20/22	Task 1 - Professional Services		0.50	$155.00	$77.50
		Robert Travis Brooks	**16.00**		**$2,480.00**
		TOTAL FEES	**16.00**		**$2,480.00**

TOTAL AMOUNT DUE **$2,480.00**

RWG LAW

T 213.626.8484
F 213.626.0078
Fed. I.D. No. 95-3292015

350 South Grand Avenue
37th Floor
Los Angeles, CA 90071

Approved for Payment on March 7, 2022

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BORREGO SPRINGS WATERMASTER
C/O SAMANTHA ADAMS, EXECUTIVE DIRECTOR
WEST YOST
23692 BIRTCHER DRIVE
LAKE FOREST, CA 92630

February 11, 2022
Invoice # 235654

Re: 13056-0001 GENERAL LEGAL SERVICES

For professional services rendered through January 31, 2022:

			Hours
01/03/22	JLM	REVIEW NOTICES OF SPECIAL AND REGULAR MEETINGS; TELEPHONE CALL ON DOLJAMIN METERING ISSUES	.60
01/03/22	JDH	REVIEW REJECTED RECORIDNGS AND RECTIFY ISSUES THEREWITH	.50
01/03/22	JDH	DISCUSS RECORDATION ATTEMPT WITH SAN DIEGO COUNTY RECORDER'S OFFICE	1.00
01/03/22	JDH	DISCUSS REFILING OF NOTICES FOR RECORDATION WITH SUPERVISOR FROM COUNTY RECORDER'S OFFICE	.20
01/04/22	JLM	REVIEW E-MAILS ON WATER CREDIT ISSUES; BEGIN REVIEW OF DOLJANIN MATERIALS	1.30
01/04/22	JDH	TELEPHONE CALL WITH SUPERVISOR FROM COUNTY RECORDER'S OFFICE TO DISCUSS LOGISTICS OF RECORDING NOTICES OF IMPACT	.20
01/05/22	JLM	REVIEW DOLJANIN FILE FOR HEARING; REVIEW E-MAILS ON DWR GRANT PROJECTS	1.70

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			Hours
01/06/22	JLM	ATTEND PRESENTATION BY DWR ON GRANT FUNDS; TELEPHONE CALLS TO MS. ADAMS AND MS. STAPLES THEREON	2.50
01/06/22	JDH	CONTACT COURT CLERK TO VERIFY INFORMATION ON NOTICES	.40
01/06/22	JDH	CALL COUNTY RECORDER'S OFFICE TO ENSURE ACCEPTANCE OF ORDERS FOR RECORDING	.30
01/07/22	JLM	REVIEW STAFF MEMORANDUM ON REAL ESTATE DISCLOSURE FORM AND E-MAILS ON DATE FOR ANNUAL REPORT	.50
01/07/22	D F	REVIEW E-MAIL FROM MR. MARKMAN REGARDING UPCOMING HEARING ON MOTION FOR COLLECTION OF EQUITY ASSESSMENTS OR CESSATION OF WATER PRODUCTION	.10
01/10/22	JLM	RESEARCH DUE DATE FOR ANNUAL REPORT; TELEPHONE CALL ON POTENTIAL CONTRACT ON BWD FUNDED PROJECTS; ATTEND SPECIAL BOARD MEETING ON DWR GRANT	4.00
01/10/22	JDH	PREPARE NECESSARY DOCUMENTS FOR RECORDING OF COURT ORDERED NOTICES OF IMPACT OF JUDGMENT	.30
01/11/22	JLM	E-MAILS AND TELEPHONE CALLS ON DOLJANIN DEBT; ZOOM MEETING ON BWD ACTIVITIES AND AUTHORITY IN JUDGMENT	1.50
01/11/22	D F	EXCHANGE E-MAILS WITH MR. MARKMAN REGARDING MR. DOLJANIN	.10
01/11/22	JDH	SPEAK WITH COUNTY RECORDER'S OFFICE TO COORDINATE FILING OF COURT ORDERED NOTICES	.20
01/13/22	JLM	PREPARE FOR AND ATTEND BOARD MEETING	3.30
01/18/22	JDH	REVIEW PREPARED NOTICES OF IMPACT OF JUDGMENT BEFORE RECORDING	.20
01/19/22	JLM	TELEPHONE CALL FROM MS. ADAMS ON DEBT COLLECTION, GRANT PROJECT AND EXECUTION OF AUDIT AGREEMENT	.70

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			Hours
01/20/22	JLM	COURT APPEARANCE ON CEASE AND DESIST ORDER AGAINST DOLJANIN AND SANCHEZ AND CALLS RELATED THERETO	1.50
01/20/22	D F	REVIEW TENANTIVE RULING IN MOTION FOR COLLECTION OF EQUITY ASSESSMENTS OR CESSATION OF WATER PRODUCTION; EXCHANGE E-MAILS WITH MR. MARKMAN REGARDING SAME; FORWARD MOVING PAPERS TO NOTE HOLDER OF MR. DOLJANIN PROPERTY; CONFER WITH MR. MARKMAN REGARDING HEARING ON MOTION	.60
01/20/22	JDH	TELEPHONE CONFERENCE WITH COUNTY RECORDER'S OFFICE TO COORDINATE FILING OF NOTICES	.30
01/21/22	JLM	WORK ON BROWN ACT ISSUE FOR COMMITTEE MEETING FOR GRANT PROJECTS; E-MAILS AND TELEPHONE CALLS ON COURT RESULT	.60
01/21/22	JDH	ENSURE FILING AND RECORDATION OF COURT ORDERED NOTICES WENT THROUGH	.40
01/24/22	JLM	REVIEW PROJECT REVIEW DOCUMENTS FOR DWR GRANT	.80
01/24/22	JDH	TELEPHONE CALLS WITH COUNTY RECORDER'S OFFICE TO COORDINATE FILING OF COURT ORDERED NOTICES	.50
01/24/22	JDH	CORRESPOND WITH COUNTY RECORDER'S OFFICE REGARDING SUBMISSIONS FOR RECORDING	.50
01/24/22	JDH	REVIEW RECORDED NOTICES OF IMPACT OF JUDGMENT	.20
01/25/22	JLM	REVIEW HERNANDEZ WELL APPLICATION	.20
01/25/22	JDH	REVIEW RECORDED NOTICES OF IMPACT OF JUDGMENT	.30
01/26/22	BTK	REVIEW STATUS MEMORANDUM FROM MR. HENSLEY AND ATTACHMENTS REGARDING NOTICE OF RECORDED IMPACT OF JUDGMENT ON PROPERTIES OVERYLYING BASIN	.10
01/26/22	JDH	REVIEW AND FILE RECORDED NOTICES OF IMPACT OF JUDGMENT	.40

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			Hours
01/28/22	JLM	TELEPHONE CALL FROM MS. ADAMS ON ISSUE OVER PROPOSED JOINT PROJECT IN DWR GRANT PROCESS	.20
01/30/22	JLM	TELEPHONE CALLS FROM MS. ADAMS AND REVIEW E-MAILS ON GRANT PROCESS, SPECIAL MEETING AND RELATED ISSUES	1.30
01/31/22	BTK	EXCHANGE INTERNAL MEMORANDA REGARDING NOTICE OF COURT'S GRANTING OF MOTION ON DELINQUENT FEE COLLECTIONS	.10
01/31/22	JLM	E-MAILS AND TELEPHONE CALLS ON DWR GRANT PROJECT PROCESS, INCLUDING REJECTION OF "JOINT PROJECT"	1.20
01/31/22	D F	REVIEW E-MAIL FROM MR. MARKMAN REGARDING GIVING NOTICE OF SUCCESSFUL MOTION FOR COLLECTION OF EQUITY ASSESSMENTS OR CESSATION OF WATER PRODUCTION; EXCHANGE E-MAILS WITH MR. HENSLEY REGARDING SAME	.50
01/31/22	JDH	REVIEW COURT ORDERED NOTICES OF IMPACT OF JUDGMENT FOR SPECIFIC PARTIES	1.00
01/31/22	JDH	PREPARE NOTICE OF ORDER FOR MONETARY, DECLARATORY AND INJUNCTIVE RELIEF IN FAVOR OF WATERMASTER	1.40
		Total Hours	31.70

Timekeeper Summary

Timekeeper	Hours Worked	Rate Per Hour	Fee Amount
BT KIM	0.20	$350.00	$70.00
JL MARKMAN	21.90	$400.00	$8,760.00
DM FIELD	1.30	$275.00	$357.50
JD HENSLEY	8.30	$275.00	$2,282.50
Totals	31.70	$361.83	$11,470.00

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Client Costs Advanced:

		Amount
12/23/21	MESSENGER - FIRST LEGAL NETWORK, LLC - DEL/ERECORDING DESK 12/23/21	$39.79
	Total Client Costs Advanced	$39.79

Current Legal Fees $11,470.00
Current Client Costs Advanced $39.79

Total Current Fees and Costs **$11,509.79**

Balance Due From Previous Statement $25,747.46

TOTAL BALANCE DUE FOR THIS MATTER **$37,257.25**

T 213.626.8484
F 213.626.0078
Fed. I.D. No. 95-3292015

350 South Grand Avenue
37th Floor
Los Angeles, CA 90071

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BORREGO SPRINGS WATERMASTER
C/O SAMANTHA ADAMS, EXECUTIVE DIRECTOR
WEST YOST
23692 BIRTCHER DRIVE
LAKE FOREST, CA 92630

February 11, 2022
Invoice # 235654

Re: 13056-0001 GENERAL LEGAL SERVICES

For professional services rendered through January 31, 2022:

Current Legal Fees	$11,470.00
Current Client Costs Advanced	$39.79
TOTAL CURRENT FEES AND COSTS	**$11,509.79**
Balance Due From Previous Statement	$25,747.46
TOTAL BALANCE DUE FOR THIS MATTER	**$37,257.25**

TERMS: PAYMENT DUE UPON RECEIPT

PLEASE RETURN THIS PAGE WITH YOUR REMITTANCE TO

RICHARDS, WATSON & GERSHON
350 South Grand Avenue, 37th Floor
Los Angeles, CA 90071

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Matter Name: GENERAL LEGAL SERVICES

ACCOUNT SUMMARY

OUTSTANDING INVOICES AS OF FEBRUARY 11, 2022

Invoice	Date	Fees	Disbursements	Payments	Total
234775	12/07/21	$11,722.50	$188.00	$0.00	$11,910.50
235223	01/14/22	$12,680.00	$1,156.96	$0.00	$13,836.96
				Total:	$25,747.46

ACCOUNT AGING

0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	Over 120 Days
$13,836.96	$0.00	$11,910.50	$0.00	$0.00

Borrego Springs Watermaster
Board of Directors Meeting
March 10, 2022
AGENDA ITEM IV.A

To: Board of Directors

From: Samantha Adams, Executive Director

Date: March 7, 2022

Subject: Hearing to Receive Comments on the Start-Up Period and Water Year 2021 Annual Report for the Borrego Springs Subbasin

---

☐ Recommended Action **✓ Provide Direction to Staff** **☐ Information and Discussion**

☐ Fiscal Impact **☐ Cost Estimate: $**

Recommended Action

Conduct Hearing to receive comment and provide direction to staff, as needed, based on comments from the Hearing

Fiscal Impact: None.

Background and Previously Related Actions by the Board

Pursuant to Section IV.E.G of the Judgment, the Watermaster is required to prepare and file an Annual Report with the Court not later than February 1 of each Water Year (WY) beginning February 1 following the first full year of operation. Given the Judgement was entered on April 8, 2021, the first full year of operation will be WY 2022 (October 1, 2021 through September 30, 2022), with the Annual Report due on February 1, 2023. However, the minutes of the April 8, 2021 Court Hearing reflect that the Court wishes to receive a report of progress by April 22, 2022 to support the Status Conference scheduled for April 29, 2022.

Watermaster is also required to file an Annual Report with the California State Department of Water Resources (DWR) pursuant to the requirements of the Sustainable Groundwater Management Act (SGMA), specifically Article 7, Section 356.2—Annual Reports, of the California Code of Regulations (CCR). The regulations require that an annual report be submitted to the DWR by April 1 of each year following the adoption of the GSP or Alternative Plan. Two Annual Reports have been submitted to the DWR to date in April 2020 and April 2021.

The Judgment defines a minimum process for completion of the Annual Report (Section IV.E.5.a), which includes:

- Notifying all Parties that a draft of the Annual Report is available for review.
- Hold a hearing to receive comments and recommendations for changes in the report.
- File the file report with DWR and distribute copies upon request to Parties.

The Judgment defines the minimum contents for inclusion in the Annual Report to the Court (Section IV.E.5.b), as follows:

- The information set forth in the SGMA regulations of the CA Water Code (section 10728) and Code of Regulations (section 356.2). These are the DWR Annual Report Requirements
- An annual fiscal report of the operation of Watermaster during the preceding Water Year
- An audit of all assessments and expenditures by Watermaster
- A summary of the management of the Basin and Watermaster Activities pursuant to the Judgement
- A summary of aggregate Pumping
- A record of Leases and Permanent Transfers of BPA and the amount of Carryover held by each Party
- Any recommendations to the Court to advance the sustainable management of the Basin
- Such additional information as may be required by order of the Court

Discussion

Enclosed herein is the draft Start-Up Period and Water Year 2021 Annual Report for the Borrego Springs Subbasin. The Hearing to receive comment will be held as part of this regularly scheduled Board meeting (March 10, 2022). During the hearing, Watermaster staff will give a brief overview of the report contents prior to the Chair opening the hearing to comments.

Next Steps

The schedule to complete the report pursuant to the process defined in the Judgment is as follows:

- Additional comments on the Draft report will be accepted by Staff through Thursday, March 17, 2022.
- Staff will release a revised Annual Report, with response to comments document as an appendix no later than March 24, 2022.
- The Chair will call for a Special Meeting the week of March 28, 2022 to review and adopt final annual report.

Enclosures

Draft Start-Up Period and Water Year 2021 Annual Report for the Borrego Springs Subbasin

Start-Up Period and Water Year 2021 Annual Report for the Borrego Springs Subbasin

PREPARED FOR

Borrego Springs Watermaster

DRAFT

PREPARED BY

WEST YOST
Water. Engineered.

Start-Up Period and Water Year 2021 Annual Report for the Borrego Springs Subbasin

Prepared for

Borrego Springs Watermaster

Project No. 940-80-21-02

DRAFT

Project Manager: Samantha Adams _____ Date _____

QA/QC Review: Andy Malone, PG _____ Date _____

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LIST OF ACRONYMS AND ABBREVIATIONS

ABDSP	Anza-Borrego Desert State Park
af	Acre-Feet
afy	Acre-Feet Per Year
Basin	Borrego Springs Groundwater Subbasin
BVHM	Borrego Valley Hydrologic Model
BPA	Baseline Pumping Allocation
BWD	Borrego Water District
CCP	Code of Civil Procedure
CCR	California Code of Regulations
CDFM	Cumulative Departure form Mean Precipitation
CIMIS	California Irrigation Management Information System Station
COC	Contaminants of Concern
County	County of San Diego
CWC	California Water Code
DWR	California Department of Water Resources
ET	Evapotranspiration
EWG	Environmental Working Group
GDE	Groundwater Dependent Ecosystem
GIS	Geographic Information System
GMP	Groundwater Management Plan for the Borrego Springs Groundwater Subbasin
GSA	Groundwater Sustainability Agency
GSP	Groundwater Sustainability Plan
Judgment	Proposed Stipulated Judgement
PMA	Project and Management Actions
QA/QC	Quality Assurance and Quality Control
SGMA	Sustainable Groundwater Management Act
TAC	Technical Advisory Committee
USGS	U.S. Geological Survey
Watermaster	Borrego Springs Watermaster
WY	Water Year

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Annual Report for the Borrego Springs Subbasin Start-Up Period and Water Year 2021

EXECUTIVE SUMMARY

This *Annual Report for the Borrego Springs Subbasin* (Annual Report) was prepared by the Borrego Springs Watermaster (Watermaster) to satisfy reporting requirements of (1) the Stipulated Judgment (Judgement) that adjudicated the groundwater rights of the Borrego Springs Subbasin (Basin) and (2) the Sustainable Groundwater Management Act (SGMA).

On April 8, 2021, the honorable Judge Peter Wilson of the CA Superior Court for the County of Orange granted the motion for entry of the Stipulated Judgment (Judgment). As stated in Section II.F of the Judgment, the Court found that the Physical Solution for the Basin, which is comprised of the Judgment and *Groundwater Management Plan for the Borrego Springs Subbasin* (GMP), is consistent with California Water Code (CWC) Section 10737.8 and is a prudent, legal, and durable means to achieve sustainable groundwater management within the Basin as intended by SGMA. The entry of the Judgment represents a key milestone for the Basin in achieving sustainability by 2040, as required by SGMA.

This is the first Annual Report of the Watermaster to satisfy these combined reporting requirements. Two prior annual reports were prepared and submitted to the Department of Water Resources to satisfy the SGMA requirements only (Dudek, 2020b; West Yost 2021). To provide the Court with a comprehensive overview of the Watermaster's activities since its formation in March 2020, this Annual Report covers the administrative start-up period of March 31, 2020 through September 30, 2020 and the first full year of Watermaster operations in Water Year (WY) 2021: October 1, 2020 through September 30, 2021.

Section 1 – Introduction. This section provides background information on the Basin, Physical Solution, the Watermaster's powers and responsibilities, and how this report complies with SGMA.

Section 2 – Watermaster Administrative Activities. This section describes the Watermaster's administrative activities for the reporting period, including an overview of the Watermaster Board and Staff, meetings and Board actions, and financial management (budget and audit).

Section 3 – Watermaster Technical Activities. This section describes the Watermaster's technical activities during the reporting period, including monitoring and reporting and the activities of the Technical Advisory Committee (TAC) and the Environmental Working Group (EWG).

Section 4 – WY 2021 Water Rights Accounting. This section summarizes the Watermaster's Water Rights Accounting for WY 2021, including a summary of aggregate pumping by Baseline Pumping Allocation (BPA) Party, a record of leases and permanent transfers of BPA, the amount of Carryover held by each Party, and the Adjusted Pumping Calculation for establishing the WY 2022 Pumping Assessment. In WY 2021:

- The total Annual Allocation of the Parties[1] was 23,122 acre-feet (af).
- The Parties pumped a total of 15,221.46 af.

[1] Including BPA Parties plus the Anza Borrego Desert State Park and the Borrego Springs Unified School District. The Judgment also establishes separate pumping rights for these two entities that are not subject to pumping Rampdown or Carryover provisions, but are subject to all other relevant provisions of the Judgment.

- The Parties elected to Carryover a total of 7,366.33 af of the available unpumped Annual Allocation, which was 8,058.07 af.
- The Adjusted Pumping Calculation for establishing the Pumping Assessment was 22558.12 af.
- The uniform Pumping Assessment rate for WY 2022, based on the Adjusted Pumping Calculation and budgeted WY 2022 Pumping Assessment, is $20.30 per af of Adjusted Pumping in WY 2021.

Section 5 – Borrego Springs Subbasin Hydrologic Conditions. This section describes the current Basin conditions as of WY 2021, including climate, surface water, water use, groundwater levels, and change in groundwater storage. This data and analysis satisfies the reporting requirements of SGMA. The data shows that:

- Precipitation in WY 2021 was 2.51 inches, which is 3.04 inches less than the mean for the period of record. Based on the standard deviation from the mean, WY 2021 was a "normal" year. And, based on the cumulative departure from mean precipitation (CDFM), WY 2021 was a dry year and relative to the mean, the region has been experiencing a nearly 30-year dry period since 1993, punctuated by a few wet years.
- The rate of decline in groundwater levels (e.g., ft/yr of decline) for the Judgment implementation period is less than the historical rate of decline at most wells.
- The change in groundwater storage from spring 2020 to spring 2021 was approximately 5,040 af.
- The cumulative decrease in storage from spring 2015 to spring 2021 was approximately 37,815 af.

Section 6 – Summary of Physical Solution Implementation Progress. This section summarizes the key milestones accomplished since the formation of the Watermaster in March 2020.

DRAFT

1.0 INTRODUCTION AND BACKGROUND

This *Annual Report for the Borrego Springs Subbasin* (Annual Report) was prepared by the Borrego Springs Watermaster (Watermaster) to satisfy reporting requirements of (1) the Stipulated Judgment (Judgement) that adjudicated the groundwater rights of the Borrego Springs Subbasin (Basin) and (2) the Sustainable Groundwater Management Act (SGMA). Figure 1 is a location map of the Basin and surrounding region.

This is the first Annual Report of the Watermaster to satisfy these combined reporting requirements. Two prior annual reports were prepared and submitted to Department of Water Resources to satisfy the SGMA requirements only (Dudek, 2020b; West Yost 2021). To provide the Court with a comprehensive overview of the Watermaster's activities since its formation in March 2020, this Annual Report covers the administrative start-up period of March 31, 2020 through September 30, 2020 and the first full year of Watermaster operations in Water Year (WY) 2021: October 1, 2020 through September 30, 2021.

1.1 Report Organization

Section 1 – Introduction. This section provides background information on the Basin, Physical Solution, Watermaster, and SGMA compliance.

Section 2 – Watermaster Administrative Activities. This section describes the Watermaster's administrative activities for the start-up period from March 31, 2020 through September 30, 2020 and for WY 2021.

Section 3 – Watermaster Technical Activities. This section describes the Watermaster's technical activities, including those of the Technical Advisory Committee (TAC) and the Environmental Working Group (EWG), for the start-up period from March 31, 2020 through September 30, 2020 and for WY 2021.

Section 4 – WY 2021 Water Rights Accounting. This section summarizes the Watermaster's Water Rights Accounting for WY 2021, including a summary of aggregate pumping by Baseline Pumping Allocation (BPA) Party, a record of leases and permanent transfers of BPA, the amount of Carryover held by each Party, and the Adjusted Pumping Calculation for establishing the WY 2022 Pumping Assessment.

Section 5 – Borrego Springs Subbasin Hydrologic Conditions. This section describes the current Basin conditions as of WY 2021, including climate, surface water, water use, groundwater levels, and change in groundwater storage.

Section 6 – Summary of Physical Solution Implementation Progress. This section summarizes the key milestones accomplished since the formation of the Watermaster in March 2020.

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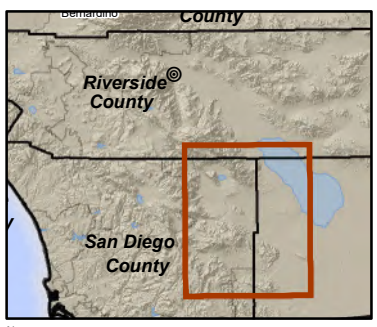
WEST YOST - K:\Clients\940 Borrego Springs Watermaster\00-00-00 Master Project\GIS\MXD\Annual Reports\WY 2021\Figure 1_Location Map.mxd - lsalberg - 3/1/2022

Borrego Valley Groundwater Basin Subbasins

- Borrego Springs Groundwater Subbasin (7-024.01)
- Ocotillo Wells Groundwater Subbasin (7-024.02)

Surface Water Features

- Stream Channel
- Dry Lake



Notes:
1. Source: Borrego Springs Groundwater Subbasin Annual Report: Covering Water Years 2016 through 2019 (Dudek, 2020).

Figure 1

Borrego Springs Subbasin Location Map

Borrego Springs Watermaster
Borrego Springs Subbasin
2021 Annual Report

Prepared by:

WEST YOST

1.2 Introduction

The Basin is designated by the California Department of Water Resources (DWR) as a critically overdrafted basin and a high priority for the development of a Groundwater Sustainability Plan (GSP) in accordance with SGMA, the regulations for which are contained within the California Water Code (CWC) Sections 10720–10737.8, et al. In August 2019, the County of San Diego (County) and the Borrego Water District (BWD), acting together as the groundwater sustainability agency (GSA) for the Borrego Valley, completed a draft final GSP[2] in accordance with the DWR's GSP Regulations defined in the California Code of Regulations (CCR) Title 23, Section 350 et seq. The GSP was subsequently modified and repurposed as the *Groundwater Management Plan for the Borrego Springs Subbasin* (GMP) to serve as an integral part of a "Physical Solution" in a groundwater rights adjudication of the Basin (Dudek, 2020a). In anticipation of the adjudication action, the County withdrew from the Borrego Valley GSA effective December 31, 2019.

In January 2020, a complaint seeking a comprehensive adjudication of the groundwater rights of the Basin was filed by the BWD in the Superior Court for San Diego County, pursuant to Code of Civil Procedure (CCP) sections 830, et seq (*Borrego Water District v. All Persons Who Claim a Right to Extract Groundwater in the Borrego Valley Groundwater Subbasin, et al.*, San Diego Superior Court case no. 37-2020-00005776-CU-TT-CTL). The proposed Stipulated Judgment was filed with the Court pursuant to a Settlement Agreement that was signed by Settling Parties that are responsible for over 90 percent of the groundwater pumping in the Basin. The Settlement Agreement also provided for the establishment of an Interim Borrego Springs Watermaster to assume responsibility for the sustainable management of the Basin pursuant to the terms of the Judgment until finalized by the Court. The Interim Borrego Springs Watermaster held its first meeting on March 31, 2020.

On April 8, 2021, the honorable Judge Peter Wilson of the CA Superior Court for the County of Orange granted the motion for entry of the Stipulated Judgment (Judgment). As stated in Section II.F of the Judgment[3], the Court found that the Physical Solution for the Basin, which is comprised of the Judgment and GMP, is consistent with California Water Code (CWC) Section 10737.8 and is a prudent, legal, and durable means to achieve sustainable groundwater management within the Basin as intended by SGMA. The entry of the Judgment represents a key milestone for the Basin in achieving sustainability by 2040, as required by SGMA.

The Watermaster held its first official meeting as a Court-appointed entity on April 8, 2021. In accordance with the terms of the Settlement Agreement, the BWD withdrew from the Borrego Valley GSA on June 16, 2021. This action formally dissolved the Borrego Valley GSA.

As part of the Judgment Findings and Order[4], the Court ordered the submittal of the Judgment to DWR for evaluation and assessment. On June 15, 2021, pursuant to the Court order, the Watermaster submitted a complete GSP Alternative submission package to the DWR documenting the Judgment's Physical Solution (including the GMP) as its Alternative to a GSP. The submission package is available for review on the DWR's SGMA Portal[5]. The DWR is still reviewing the Watermaster's Alternative submission package.

---

[2] Information regarding the GSP, including its stakeholder process, is available from the County's website.

[3] https://borregospringswatermaster.com/wp-content/uploads/2021/06/stipulated-judgment-04-08-2021_bookmarked.pdf

[4] https://borregospringswatermaster.com/wp-content/uploads/2021/04/2021-04-08-judgment-findings-and-order.pdf

[5] https://sgma.water.ca.gov/portal/alternative/print/39

1.3 Physical Solution

The Judgment, together with the GMP (attached as Exhibit 1 to the Judgment), constitutes the Physical Solution for the Basin to achieve sustainable groundwater management. It serves as the technical approach for Basin management to achieve sustainability and is intended to provide flexibility and adaptability to allow the Court to use existing and future technological, social, institutional, and economic options to maximize reasonable and beneficial water use in the Basin[6].

1.3.1 Stipulated Judgment

The Judgment comprehensively determined and adjudicated all groundwater rights in the Basin, whether based on appropriation, overlying right, prescriptive right, or other basis of right. It provides a physical solution for the perpetual management of the Basin, consistent with the objectives of SGMA and with reasonable and beneficial use under Article X, section 2 of the California Constitution. To maintain a viable water supply for current and future beneficial uses and users of groundwater in the Basin, the sustainability goal of the Physical Solution is to ensure that by 2040, and thereafter within the planning and implementation horizon of the GMP (50 years), the Basin is operated within its sustainable yield and does not exhibit undesirable results as defined by CWC Section 10721(x). Some of the key provisions of the Judgment are highlighted below[7].

Establishment of Pumping Rights[8]. Exhibit 4 to the Judgment establishes a BPA for each Party to the Judgment. The BPA represents the allowed total annual pumping by each Party prior to the commencement of WY 2021. Starting in WY 2021, allowable pumping will be limited to a percentage of BPA such that by 2040 the total annual pumping allocation does not exceed the sustainable yield of the Basin (as determined in 2035). The total BPA is 24,293 acre-feet (af).

The Judgment also establishes separate pumping rights for two entities—the Anza Borrego Desert State Park (ABDSP) and the Borrego Springs Unified School District—that are not subject to pumping Rampdown or Carry provisions (see below), but are subject to all other relevant provisions of the Judgment.

Further, the Judgment is not intended to regulate De Minimis pumping, which will not likely significantly contribute to undesirable results. The BPA does not include pumping rights for De Minimis pumpers who intend to produce two (2) acre-feet per year (afy) or less and do not intend to transfer their pumping to another real property owned by another person.

[6] See Judgment Section III.C

[7] This is not intended to be a complete list of provisions or rules of operation pursuant to the Judgment.

[8] See Judgment Sections II.G, III.A, III.D, and III.H

Determination of Sustainable Yield[9]. The initial sustainable yield of the Basin is set at 5,700 afy for the first five-year period of implementation. A refined and specific estimate of the sustainable yield will be determined by Watermaster by every five years through 2035, as follows:

- By January 1, 2025 – Establish the Sustainable Yield for the Second Five-year Period of WY 2026 through WY 2030.
- By January 1, 2030 – Establish the Sustainable Yield for the Third Five-year Period of WY 2031 through WY 2035.
- By January 1, 2035 – Establish the Sustainable Yield for the Fourth Five-year Period of WY 2036 through WY 2040.

The sustainable yield estimates will be made using the best available records and data and sound scientific and engineering methods and in consultation with the Watermaster's Technical Advisory Committee (TAC).

Pumping Rampdown Schedule[10]. To ensure that the annual pumping allocation does not exceed the sustainable yield of the Basin by 2040, the Judgment provides for an annual rampdown schedule for Parties with BPA. The rampdown amount is intended to be adjusted, as necessary, after each scheduled update of the sustainable yield estimate goes into effect (e.g., WY 2026, WY 2031, and WY 2036). The initial rampdown schedule provides for a five percent annual reduction in pumping relative to the BPA for the first five years, such that in WY 2025 the annual pumping allocation is 75 percent of BPA. If the estimate of sustainable yield does not change after the first redetermination is completed in WY 2025, the rampdown will continue at a rate of five percent per year, such that by WY 2030 the annual pumping allocation is 50 percent of BPA (about two-thirds of the total rampdown required if sustainable yield is 5,700 afy). If the revised estimate of sustainable yield falls below or exceeds the initial 5,700 afy estimate, the annual rampdown rate for the subsequent five-year period will be reduced or increased proportional to the change in the sustainable yield so that by WY 2030, two-thirds of the total rampdown required to meet the sustainability goal by 2040 will be achieved. The annual rampdown rate of the pumping allocation in the final ten years of the Physical Solution implementation period will be set to 2.5 percent per year if the sustainable yield is 5,700 afy or will be reduced or increased proportional to the change in the sustainable yield so that by WY 2040, the total pumping allocation equals the sustainable yield. Thus, if the sustainable yield were to remain at 5,700 afy, the annual pumping allocation would be ramped down by over 75 percent in 20 years.

Allowance for Carryover[11]. The Judgment allows for unused annual pumping allocations to be carried over for use in subsequent water years subject to certain restrictions. Initially, the maximum quantity of Carryover that a Party can accrue is two times the amount of the Party's BPA. Carryover is subject to periodic review and adjustment by the Watermaster to prevent undesirable results. The first prescribed review of Carryover will be completed by January 1, 2025 as part of the process to redetermine the Sustainable Yield.

[9] See Judgment Sections II.E, III.F, and IV.G

[10] See Judgment Sections III.E and III.F

[11] See Judgment Sections III.B and IV.E.4

Allowance for Leases and Transfers of BPA[12]. In the interest of advancing the effective and efficient management of the Basin, all BPA may be permanently transferred or leased, subject to the procedures and limitations defined in the Judgment.

Remedies and Penalties for Overproduction[13]. The Judgment provides remedies for Overproduction of annual pumping allocations and provides Watermaster the authority to establish penalty assessments for Overproduction. The remedies provide (1) reasonable flexibility to allow Parties that have overproduced the Annual Allocation in a single WY to cover the Overproduction either by using less allocation (e.g. under-pumping the allowable pumping limit afforded by Annual Allocation or applying Carryover) in the subsequent WY or by Lease or Permanent Transfer; and (2) reasonable accommodation to allow the Parties time to adjust to the initiation of the Rampdown during the first three WYs (2021 through 2023) by providing extended time periods to cure Overproduction.

Fallowing Standards[14]. To ensure that the permanent fallowing of irrigated crops in furtherance of achieving groundwater sustainability does not result in blight, reduced air quality, or other public health impacts associated with wind-blown dust, the Judgment establishes minimum fallowing standards that must be met in order to permanently transfer all or a portion of the BPA associated with the fallowed land to another Party.

1.3.2 Groundwater Management Plan

The GMP document includes the scientific and other background information about the Basin required by SGMA and its implementing regulations. It describes the Basin, historical groundwater conditions and trends, the initial estimate of sustainable yield of 5,700 afy, the sustainable management criteria (e.g., sustainability indicators, minimum thresholds, and measurable objectives), the monitoring program to be used to track progress over time, and the proposed projects and management actions (PMAs). The GMP's initial estimate of sustainable yield, sustainable management criteria, management areas, monitoring program, and PMAs will be refined on the schedule required by the DWR and Court through the TAC process defined in the Judgment.

1.3.2.1 Overview of Sustainable Management Criteria

The GMP included initial sustainable management criteria, including minimum thresholds and measurable objectives, for the following sustainability indicators determined to be a current and/or potential future undesirable result. The sustainable management criteria defined in the GMP, and that informed the elements of the Physical Solution of the Judgment described in Section 1.3.1 of this Annual Report, included:

Groundwater in Storage. The sustainability goal is to halt the overdraft condition in the Basin by bringing the groundwater pumping in balance with the Basin sustainable yield by 2040. Progress in achieving this goal through pumping Rampdown and other means is monitored primarily by metering all pumping by Parties with BPA and secondarily through estimating the change of groundwater volume in storage every year based on the changes in groundwater levels observed through the Physical Solution monitoring program. The annual change in groundwater storage estimates are for information only and are not intended to change the Rampdown approach and schedule prescribed in the Judgment.

[12] See Judgment Sections III.I and III.J

[13] See Judgment Sections III.G and V.2

[14] See Judgment Section III.J

Chronic Lowering of Groundwater Levels. The sustainability goal is for groundwater levels to stabilize or increase and to ensure groundwater is maintained at adequate levels at key wells. Progress in achieving this goal through pumping rampdown and other means will be assessed by comparing observed groundwater levels to historical trends and to the projections from the Borrego Valley Hydrologic Model (BVHM) for the Physical Solution implementation period.

Water Quality. The sustainability goals for water quality are for (1) the potable water supply to continue to meet California Title 22 drinking water standards and (2) the non-potable irrigation supply to be suitable for agricultural and recreational uses. Progress in achieving this goal will be assessed by monitoring groundwater quality through Physical Solution implementation.

1.3.2.2 Overview of Projects and Management Actions

The primary management tool to eliminate overdraft is to rampdown pumping to a level that does not exceed the Basin's estimated sustainable yield by 2040. Based on the initial estimate of sustainable yield of 5,700 afy, reaching this goal requires an approximately 75 percent reduction in pumping compared to the BPA. The GMP included proposed PMAs to reduce water demand and the amount of water allocated to non-De Minimis users and maintain water quality suitable for current and future beneficial uses. The PMAs defined in the GMP, and that informed the elements of the physical solution of the Judgment described in Section 1.3.1 of this Annual Report, included:

PMA No. 1 – Water Trading Program. The Water Trading Program is intended to enable groundwater users to purchase needed groundwater rights to maintain economic activities in the Basin, encourage and incentivize water conservation, and facilitate adjustment of pumping allocations as water demands and Basin conditions fluctuate during the 20-year Physical Solution implementation period.

PMA No. 2 – Water Conservation Program. The Water Conservation Program would consist of separate components to advance water conservation for the three primary water use sectors: agricultural, municipal, and recreation. Implementation of a water conservation program will be highly dependent upon securing funding, such as through grants and low interest loan programs.

PMA No. 3 – Pumping Reduction Program. Each non-de minimis groundwater pumper within the Basin was assigned BPA based on its historical groundwater use. That allocation will be reduced incrementally over the Physical Solution implementation period such that the total extraction from the Basin by 2040 will be equal to the then-current estimate of sustainable yield (e.g., the pumping Rampdown). Mandatory water metering for all non-de minimis groundwater users is required.

PMA No. 4 – Voluntary Fallowing of Agricultural Land. The voluntary Fallowing Program will create a process to convert high water use irrigated agriculture land to low water use open space, public land, or other development on a voluntary basis. Once implemented, the Fallowing Program would provide property owners with transferable BPAs in exchange for land fallowing.

PMA No. 5 – Water Quality Optimization. The Water Quality Optimization program is intended to identify as-needed direct and indirect treatment options for BWD and other pumpers to optimize groundwater quality and its use and minimize the need for expensive water treatment to meet drinking water standards.

PMA No. 6 – Intra-Subbasin Water Transfers. The purpose of Intra-Subbasin Transfer Program is to physically mitigate existing and future reductions in groundwater storage and groundwater quality impairment by establishing conveyance of water from higher to lower production areas in the Basin. This PMA will evaluate the feasibility and effectiveness of utilizing new or existing well sites in the Basin (and

associated distribution infrastructure) where groundwater conditions are more favorable for continued groundwater extraction.

1.4 Watermaster Powers and Responsibilities

To assist the Court in the Administration of the Judgment, the Court established the Borrego Springs Watermaster. The Watermaster is charged with administering and enforcing the provision of the Judgment, including implementation of the Physical Solution, and any other instructions or orders of the Court. In addition to the specific powers, authorities, and duties defined throughout the Judgment, the Watermaster, subject to the continuing jurisdiction of the Court, has and may exercise the powers and duties set forth for a GSA as defined in CWC sections 10725 through 10726.5 and 10726.8, to the extent it is consistent with the Judgment. The Watermaster must carry out its duties, powers, and responsibilities in an impartial manner without favor or prejudice to any Pumper or Party.

The Watermaster is comprised of a Board of five members representing each of the interests in the Basin—municipal (BWD), agricultural, recreational, community, and the County—and may hire employees or contractors, as needed, to enable administration of the Judgment. The Watermaster operates pursuant to the Rules and Regulations, attached as Exhibit 5 to the Judgment, and which may be amended from time to time by Supermajority Vote following a public hearing.

The following are some of the key responsibilities of the Watermaster in administering the Judgment:

Establish an Annual Budget. The Watermaster must approve an annual budget that defines the operating and capital expenses required to administer the Judgment. The budget must also define the revenues and cash reserves that will be collected or used to fund the budget. Section IV.E.3 of the Judgment defines a detailed process and schedule for developing the annual budget and collecting pumping assessments to fund the budget. The Judgment also defines a separate process and schedule (Section III.F) by which the TAC advises the Watermaster on the scope of work and budget for technical work to determine Sustainable Yield.

Levy Pumping Assessments. The annual Watermaster Budget costs in excess of loans, grants, and available Overproduction Penalty assessments funds are funded by a uniform pumping assessment, expressed as a cost in dollars per af ($/af) and each Party's assessment is based on their annual Adjusted Pumping Calculation. Assessments are collected in two installment payments each WY in December and June.

Water Rights Accounting. Watermaster is responsible for performing water rights accounting on an annual basis to track pumping, Carryover elections, transfers and leases between the Parties, and to calculate (1) the Adjusted Pumping Calculation on which assessments for the ensuing year are based and (2) the total allowable pumping by Party for the ensuing year. Section IV.E.4 of the Judgment defines the process to compute the Adjusted Pumping Calculation.

Metering and Pumping Reports. Watermaster is responsible for collecting data from the Parties to track groundwater pumping and annually verify that pumping meters meet the accuracy standards defined in Article V of the Rules and Regulations. Section VI.A of the Judgment specifies the well metering requirements of the Parties. Watermaster develops and periodically adapts the meter reporting frequency and schedule in consultation with the TAC to ensure data is sufficient to support calculations of Sustainable Yield.

Annual Report. Watermaster is responsible for preparing an annual report to the Court that includes, at a minimum, an annual fiscal report of the operation of Watermaster during the preceding Water Year, an audit of all assessments and expenditures by Watermaster, a summary of the management of the Basin and Watermaster activities pursuant to the Judgment, a summary of aggregate Pumping, a record of Leases and Permanent Transfers of BPA and the amount of Carryover held by each Party, any recommendations to the Court concerning further orders to advance the management of the Basin, and the DWR reporting requirements to satisfy SGMA.

Monitoring Programs*:* Watermaster is responsible for implementing groundwater and surface water monitoring programs and collecting data from the Parties that enable the annual reporting of Basin conditions to the DWR pursuant to SGMA, to support the periodic recalculation of Sustainable Yield, and to support the periodic update of the GMP. Section IV.B of the Judgment provides for a schedule and process to establish a water quality monitoring plan.

Unauthorized Pumping. The Watermaster shall undertake any action, including bringing any motion to the Court, necessary to halt unauthorized Pumping.

Meetings with the Technical Advisory Committee. The Judgment defines the role of the TAC in advising the Watermaster and the process for striving for consensus recommendations. The Watermaster is responsible to convene the TAC at least twice per year to review Watermaster activities pursuant to this Judgment and to receive advisory recommendations.

Establishment of Environmental Working Group. The Watermaster is responsible to establish an EWG to advise the Watermaster on groundwater dependent ecosystems (GDE) and any other matters approved by the Board. An EWG budget, which shall be adequate for the EWG to carry out its responsibilities as directed by the Watermaster, will be included in the Watermaster's annual budget.

1.5 Sustainable Water Management Act Compliance

SGMA regulations require that an annual report be submitted to the DWR by April 1 of each year following the adoption of the GSP or Alternative Plan. This Annual Report provides the Basin conditions update as of WY 2021 (October 1, 2020 through September 30, 2021). Table 1 is a reference guide that illustrates where each of the required annual reporting elements described in CCR Article 7, Section 356.2 can be found within this report.

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Table 1. Alternative Annual Report Elements Guide Map for the Borrego Springs Subbasin WY 2021 Annual Report

CCR – GSP Regulation Sections	Alternative Elements	Document which section(s), page number(s), or briefly describe why that Alternative element does not apply to the entity.
Article 7	**Annual Reports and Periodic Evaluations by the Agency**	
§ 356.2	**Annual Reports**	
Each Agency shall submit an annual report to the Department by April 1 of each year following the adoption of the Plan. The annual report shall include the following components for the preceding water year:		
(a)	General information, including an executive summary and a location map depicting the basin covered by the report.	Executive Summary: Pages 1-2 Section 1 – Introduction and Background: Pages 3-12 Borrego Springs Groundwater Subbasin Location: Figure 1 (Page 4)
(b)	A detailed description and graphical representation of the following conditions of the basin managed in the Plan:	Section 5 – Borrego Springs Subbasin Hydrogeologic Conditions: Pages 39-62
(1)	Groundwater elevation data from monitoring wells identified in the monitoring network shall be analyzed and displayed as follows:	
(A)	Groundwater elevation contour maps for each principal aquifer in the basin illustrating, at a minimum, the seasonal high and seasonal low groundwater conditions.	Spring 2021 contours: Figure 8 (Page 54) Fall 2021 contours: Figure 9 (Page 55)
(B)	Hydrographs of groundwater elevations and water year type using historical data to the greatest extent available, including from January 1, 2015, to current reporting year.	Time History of Groundwater Levels for Selected Wells: Figure 7 (Page 51) Appendix E – Groundwater level hydrographs for all monitoring wells for period of 1950 to 2021
(2)	Groundwater extraction for the preceding water year. Data shall be collected using the best available measurement methods and shall be presented in a table that summarizes groundwater extractions by water use sector, and identifies the method of measurement (direct or estimate) and accuracy of measurements, and a map that illustrates the general location and volume of groundwater extractions.	Section 5.4.1: Groundwater Pumping: Pages 47-49 General groundwater extraction locations/volumes: Figure 6 (Page 48) Groundwater Pumping by Sector 2015 to 2021: Table 13 (Page 49)
(3)	Surface water supply used or available for use, for groundwater recharge or in-lieu use shall be reported based on quantitative data that describes the annual volume and sources for the preceding water year.	Section 5.4.2 - Surface Water Use: Page 49
(4)	Total water use shall be collected using the best available measurement methods and shall be reported in a table that summarizes total water use by water use sector, water source type, and identifies the method of measurement (direct or estimate) and accuracy of measurements. Existing water use data from the most recent Urban Water Management Plans or Agricultural Water Management Plans within the basin may be used, as long as the data are reported by water year.	Section 5.4.3 - Total Water Use: Page 49
(5)	Change in groundwater in storage shall include the following:	Section 5.5.3 - Change in Groundwater Storage: Pages 52-62
(A)	Change in groundwater in storage maps for each principal aquifer in the basin.	Change in Groundwater Storage Spring 2020 to Spring 2021: Figure 13 (Page 60)
(B)	A graph depicting water year type, groundwater use, the annual change in groundwater in storage, and the cumulative change in groundwater in storage for the basin based on historical data to the greatest extent available, including from January 1, 2015, to the current reporting year.	Annual and Cumulative Change in Groundwater Storage and Annual Groundwater Extractions: Table 15 (Page 61) Annual Groundwater Extractions and Change in Groundwater Storage– 2016 to 2021: Figure 14 (Page 62)
(c)	A description of progress towards implementing the Plan, including achieving interim milestones, and implementation of projects or management actions since the previous annual report.	Section 6: Physical Solution Implementation Progress: Pages 63-64

2.0 WATERMASTER ADMINISTRATIVE ACTIVITIES

Watermaster conducts business and reports on its business and finances on a WY basis. This report summarizes the Watermaster's administrative activities for the start-up period from March 31, 2020 through September 30, 2020 and for WY 2021.

2.1 Watermaster Board

The Watermaster Board is comprised of five members, with each member having one vote. The membership of the Board is comprised of one representative and one alternate representing each the BWD (municipal), the agricultural sector, the recreational sector, the public/community, and the County of San Diego. The Parties within the respective agricultural and recreational sectors, and the process for selecting the respective agricultural, recreational, and public/community representatives are described in Exhibit 7 of the Judgment. The Board was comprised of the following representatives and appointments during the reporting period as indicated in Table 2.

Table 2. Borrego Springs Watermaster Board

Entity/Sector	Board Representative	Board Alternate	Appointment
Borrego Water District	Dave Duncan	Kathy Dice	Chairperson
Recreation Sector	Shannon Smith	Rich Pinel	Vice Chairperson Treasurer Secretary
Agricultural Sector	Mike Seley	Michael Bozick (3/31/20 to 7/8/21) Tyler Bilyk (7/8/21 to present)	
Community Representative	Mark Jorgensen	Martha Deichler	
County of San Diego	Jim Bennet, PG, CHG	Leanne Crow, PG	

2.2 Watermaster Staff

The Watermaster may hire employees or contractors, as needed, to enable administration of the Judgment. Section IV.C of the Judgment describes the specific process the Board must follow in hiring staff to avoid a potential conflict of interest. Any technical advisor, attorney, executive director, or similar employee or contractor performing services that concern technical or policy matters of the Watermaster must be independent (not under contract with any Party) and selected by the Watermaster through an arms-length request for proposal process unless otherwise agreed by a Supermajority Vote of the Board. These procedures were followed to establish Watermaster's current staff.

Legal Counsel. In July 2020, the Watermaster contracted with James M. Markman of RWG law to serve as legal counsel. Attorneys at RWG law support Mr. Markman, as needed.

Executive Director and Technical Services. In August 2020, the Watermaster contracted with West Yost Associates[15] to retain Samantha Adams as the Executive Director and Andy Malone, PG as the Lead Technical Consultant. Ms. Adams and Mr. Malone are supported by West Yost financial, administrative, and technical staff in the performance of their duties, as needed.

2.3 Watermaster Contact Information and Website

Correspondence and inquiries regarding meetings or other Watermaster business can be sent to Watermaster via email at borregospringswm@westyost.com or via regular mail to:

Borrego Springs Watermaster
c/o West Yost
23692 Birtcher Drive
Lake Forest, CA 92630
(949) 420-3030

The Watermaster maintains a website to keep the Parties and public informed about its activities and to provide other important forms, documents, and information associated with the administration of the Judgment. The website address is: https://borregospringswatermaster.com.

2.4 Watermaster Meetings and Board Actions

Watermaster conducts monthly board meetings on the second Thursday of the month at 4:30 p.m. The Watermaster also holds Special meetings, as needed to conduct business between regularly scheduled meetings. Since March 2020, all meetings of the Board have been held virtually due to the COVID-19 Pandemic. The virtual meetings were conducted via the GoToMeeting® platform that has both telephone and video call-in options. All Watermaster meetings are open to the public and are noticed via Watermaster's email distribution list and website.

Electronic copies of all Board meeting agendas, packets, presentation materials, and approved minutes are available on Watermaster's website (https://borregospringswatermaster.com). Appendix A of this report contains a record of the Board's motions and actions for the start-up period (Appendix A-1) and WY 2021 (Appendix A-2)[16]. Table 3 lists the Board meeting dates for the start-up period and WY 2021.

[15] The contract was originally executed with Wildermuth Environmental Inc., who was later acquired by West Yost Associates on November 9, 2020.

[16] Appendix A-2 excludes motions and actions for approval of the meeting agenda.

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Table 3. Watermaster Board Meetings During the Reporting Period		
Meeting Date	Meeting Type	Meeting Platform
Start-up Period		
March 31, 2020	Regular	Virtual
April 16, 2020	Regular	Virtual
May 14, 2020	Special	Virtual
May 28, 2020	Regular	Virtual
June 11, 2020	Regular	Virtual
June 25, 2020	Special	Virtual
July 16, 2020	Regular	Virtual
July 30, 2020	Special	Virtual
August 13, 2020	Regular	Virtual
August 27, 2020	Special	Virtual
September 10, 2020	Regular	Virtual
September 24, 2020	Special	Virtual
Water Year 2021		
October 8, 2020	Regular	Virtual
October 19, 2020	Special	Virtual
November 12, 2020	Regular	Virtual
December 10, 2020	Regular	Virtual
January 14, 2021	Regular	Virtual
February 11, 2021	Regular	Virtual
March 11, 2021	Regular	Virtual
March 23, 2021	Special	Virtual
April 8, 2021	Regular	Virtual
May 13, 2021	Regular	Virtual
June 10, 2021	Regular	Virtual
July 8, 2021	Regular	Virtual
August 12, 2021	Regular	Virtual

2.5 Rules and Regulations

The Rules and Regulations are included with the Judgment as Exhibit 5. A copy is posted to the Watermaster website. The Watermaster made no changes to the Rules and Regulations during the reporting period.

2.6 Financial Management

Each year, Watermaster develops a budget that defines the operating expenses required to administer the Judgment in the ensuing year. The budget also defines the revenues sources that will fund the operating expenses. The operating budget covers administrative services (including costs for financial audit, insurance, website, and miscellaneous expenses), legal services, engineering and technical services, and funding to support the EWG.

Section IV.E.3 of the Judgment defines a detailed process and schedule for developing the annual budget and collecting pumping assessments to fund the budget. Section III.F of the Judgment also defines a separate process and periodic schedule by which the TAC advises the Watermaster on the scope of work and budget for technical work to determine Sustainable Yield. The TAC shall advise the Watermaster on the technical scope and budget as follows:

- By June 1, 2021, TAC to reach agreement on the scope and budget for technical work for October 1, 2021 through September 30, 2023.
- By January 1, 2025, TAC to reach agreement on the scope and budget for technical work for October 1, 2025 through September 30, 2029.
- By January 1, 2030, TAC to reach agreement on the scope and budget for technical work for October 1, 2030 through September 30, 2034.

To fund the annual budget, Watermaster levies pumping assessments to all active BPA pumpers in accordance with Section IV.E.3 of the Judgment. Watermaster can also rely on the following sources to fund the budget:

- Cash reserves
- Overproduction Penalty Assessments
- Grants and loans

In addition to pumping assessments, Watermaster also invoices the Parties for the following:

Re-imbursement for costs incurred for manual-read meter services. The Judgment provides that all parties will install "smart" pumping meters that can be read via telemetry system. At the option of the Parties, manual-read meters may be installed, however the Party must cover all costs associated with collecting data manually. The costs include contract services with the BWD to perform the field work to manually read/record the meters and Watermaster staff time to coordinate with the BWD field crew and to collect self-reported meter reads in-between official Watermaster meter-read events.

Re-imbursement to BWD for GSP preparation services. Pursuant to the Settlement Agreement (and Court Order), the BPA parties must reimburse the BWD for their proportionate share of the cost to develop the GSP, which became the GMP. Watermaster invoices the Parties on behalf of the BWD. The reimbursements to the BWD are collected over a three-year period and are due on June 30th of 2020, 2021, and 2022.

Re-imbursement to Settling Parties for GSP preparation services. Pursuant to Court Order, the non-settling BPA parties must reimburse the Settling Parties for their proportionate share of the first installment of the re-imbursement to BWD for GSP preparation services (see above paragraph). Watermaster invoices the non-settling BPA parties on behalf of the Settling Parties and will reimburse the Settling Parties.

Watermaster staff prepares monthly financial reports for review by the Board as part of the consent calendar during Regular Board meetings. The monthly financial reports include the following:

- Income (Profit & Loss) Statement
- Balance Sheet
- Expense Distribution Detail
- Union Bank Checking Register

- Budget Summary Detail
- West Yost Administrative and Technical Services Budget Status

The start-up period and WY 2021 budget and annual audit are summarized below in Section 2.6.1. The WY 2022 budget and assessment are summarized below in Section 2.6.2.

2.6.1 Start-up Period and Water Year 2021 Budget and Annual Audit

As part of the Settlement Agreement, the Settling Parties developed the budget for the start-up period and WY 2021. Table 4 compares the Settlement Agreement budget to the Watermaster's actual revenues, expenditures, and reserves through the end of the reporting period. Though not explicitly included in the Settlement Agreement Budget, Table 4 includes the revenues and expenditures related to the pass-thru expenses for reimbursements to the BWD and the Settling Parties and for the manual-read meter services. For each revenue category, Table 4 indicates the amount of unpaid invoices as of the end of the reporting period. The unpaid invoices totaled about $108,000 (8% of invoiced revenue), of which $76,500 is unpaid start-up pumping assessments.

The financial audit for the start-up period and WY 2021 was performed by Lance, Soll & Lunghard, LLP and is included with this report as Appendix B.

2.6.2 Water Year 2022 Budget

The Watermaster approved the WY 2022 Budget at its July 2, 2021 meeting. The full budget memo is included with this report as Appendix C. Table 5 shows the approved line-item budget. The total budgeted expenditure for WY 2022 is $597,003. The expenditures will be paid for by collecting a Pumping Assessment of $458,000 and utilizing $139,003 from cash reserves. Section 4 of this report provides an overview of the calculation of the Pumping Assessment rate based on the WY 2021 Adjusted Pumping Calculation.

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Table 4. Comparison of Approved and Actual Watermaster Budget for Start-up Period and Water Year 2021

Revenues, Expenditures, and Cash Reserves	Comparison of Budget and Actual for Water Year 2020 and WY 2021	
	Settlement Agreement Budget,	Actual Year-End (September 30, 2021), dollars
Total Revenues Collected[(a)]		**$ 1,170,487.23**
Invoiced		*$ 1,278,427.62*
Unpaid		*$ 107,940.39*
Pumping Assessments		
Invoiced	$ 1,173,602.00	$ 1,159,488.75
Collected	**$ 1,173,602.00**	**$ 1,082,989.51**
Unpaid	$ -	$ 76,499.24
Settling Party Reimbursement for GSP Expenses		
Invoiced	$ -	$ 10,816.63
Collected	**$ -**	**$ 10,602.41**
Unpaid	$ -	$ 214.22
BWD Reimbursement for GSP Expenses		
Invoiced	$ -	$ 101,313.06
Collected	**$ -**	**$ 76,895.31**
Unpaid	$ -	$ 24,417.75
Manual Meter Read Services		
Invoiced	$ -	$ 6,809.18
Collected	**$ -**	**$ -**
Unpaid	$ -	$ 6,809.18
Total Expenditures	**$ 821,550.00**	**$ 540,445.42**
Watermaster Operations		
Administrative Services	$ 462,000.00	$ 186,279.47
Legal Services	$ 110,250.00	$ 78,741.66
Engineering/Technical Services	$ 229,300.00	$ 177,765.07
Environmental Working Group	$ 20,000.00	$ 14,109.75
Other Expenses		
Reimbursement to Settling Parties		$ -
Reimbursement to BWD for GSP		$ 76,895.31
Manual Meter Read Services[(b)]		$ 6,654.16
Reserves	**$ 352,052.00**	**$ 630,041.81**
Beginning Reserves	$ -	$ -
Change in Net Assets	$ 352,052.00	$ 630,041.81
End Balance	$ 352,052.00	$ 630,041.81

(a) Excludes revenues collected for pass through reimbursement to Settling

(b) This expenditure is reimbursed by Parties with manual-read meters (collection of funding shown in other revenue).

Table 5. Watermaster Operating Budget for Water Year 2022

Revenues, Expenditures, and Reserves		West Yost 2022 Budget, dollars
Revenues	**$**	**458,000.00**
Pumping Assessments	$	458,000.00
Other	$	-
Total Expenditures	**$**	**597,003.00**
Administrative Services	**$**	**223,799.00**
Watermaster Staff Admin Services (West Yost)	***$***	***183,149.00***
Board Meetings	*$*	*73,812.00*
**Technical Advisory Committee Meetings*	*$*	*29,938.00*
Court Hearings	*$*	*5,590.00*
Administration and Management	*$*	*73,809.00*
Other Administrative Services	***$***	***40,650.00***
Financial Audit	*$*	*15,000.00*
Insurance	*$*	*20,000.00*
Website (Domain and Hosting)	*$*	*650.00*
Misc. Expenses	*$*	*5,000.00*
Legal Services (RWG)	**$**	**50,000.00**
General Engineering Services (West Yost)	**$**	**72,674.00**
Coordinate/Implement meter reading program	*$*	*26,634.00*
Annual Report to the Court and DWR	*$*	*31,920.00*
As-needed technical support	*$*	*14,120.00*
Groundwater and Surface Water Monitoring Programs	**$**	**54,932.00**
Implement Monitoring Programs (West Yost)	*$*	*54,932.00*
Maintain Data Management System (West Yost)	**$**	**11,273.00**
Annual collection and upload of hydrologic data	*$*	*4,821.00*
As-needed build out of features	*$*	*6,452.00*
CASGEM Compliance (West Yost)	**$**	**1,240.00**
TAC Recommended Scope of Work WY 2022 (West Yost)	**$**	**146,005.00**
Technical Work to Support Sustainable Yield Updates	***$***	***115,750.00***
a. Collect data and information from DWR	*$*	*6,220.00*
b. Compare model-estimated vs metered pumping	*$*	*109,530.00*
Start Development of Work Plan for a Groundwater Quality	***$***	***20,258.00***
Address Ad Hoc Requests from the Board	***$***	***9,997.00***
Environmental Working Group	**$**	**37,080.00**
EWG Meetings (West Yost)	*$*	*14,005.00*
Preparation of a Biological Restoration Plan	*$*	*17,606.00*
Preparation of a GDE Monitoring Workplan	*$*	*5,469.00*
Reserves	**$**	**564,543.00**
Beginning Reserves	$	703,546.00
Change in Net Assets	$	(139,003.00)
Year End Balance	$	564,543.00

3.0 WATERMASTER TECHNICAL ACTIVITIES

3.1 Monitoring and Data Management

The GMP defines the monitoring program necessary to support the sustainable management of the Basin and includes the collection of climatic, surface-water, and groundwater data. These data are used to characterize and understand current Basin conditions and trends and to evaluate the Basin response to Physical Solution implementation. Most of the environmental data collected by Watermaster are post-processed into standardized formats, checked for quality assurance/quality control (QA/QC), and uploaded to a centralized relational database management system, HydroDaVESM. The following subsections describe the Watermaster's various monitoring and data compilation efforts during the reporting period.

3.1.1 Groundwater Pumping

Prior to the development of the Judgment and GMP, all municipal pumping wells and some golf course and private agricultural pumpers were monitoring pumping via meters. With the exception of municipal pumping by BWD, most metered pumping was not being recorded and/or reported on a regular basis. In lieu of metered data, groundwater pumping was estimated using water duty methods that consider the type of water use (such as area of irrigated landscape and crop types).

The Judgment requires that all non-de minimis pumpers install Watermaster-approved meters on all active groundwater wells to measure and record groundwater pumping. Metered pumping is reported to the Watermaster for the purpose of performing water rights accounting and technical analyses of the Basin. Each year, the pumpers must perform a third-party verification of the accuracy of their meters.

The following milestones towards metering and reporting of all non-de minimis pumping wells were achieved during the reporting period:

- Watermaster Board published a list of approved meters at its March 31, 2020 meeting (Resolution 20-02).
- Watermaster Board approved protocols for meter verification and accuracy testing at its August 27, 2020 meeting (Resolution 20-03).
- Watermaster Board approved meter reading protocols for documenting manual meter reads at its September 10, 2020 meeting (20-05).
- Watermaster staff collected and cataloged meter verification and accuracy information for all Settling Parties in September/October 2020.
- Watermaster staff conducted the initial meter read for WY 2020 at all Settling Party wells from September 28 through 30, 2020.
- Watermaster Board approved the TAC recommended meter reading frequency and protocols at its November 12, 2020 meeting.
- Watermaster staff successfully implemented a program to collect monthly pumping data from Parties with a combination of Watermaster meter reads and self-reporting.
- Watermaster staff collected and cataloged meter verification and accuracy information for non-Settling Parties following entry of the Judgment in April 2021.
- Watermaster staff conducted the initial meter read for WY 2022 for all metered parties at the end of September 2021 and beginning of October 2021.

3.1.1.1 Meter Verification and Accuracy Testing

All meter verification information and accuracy tests are reviewed by Watermaster staff and checked for compliance with accuracy standards. If a meter test indicates that a well is not accurately reporting pumping, Watermaster requests corrective actions within 30 days. All meter verification results are stored in Watermaster's data management system.

As of the end of the reporting period, the following is the status of metering the BPA party wells:

- There are a total of 43 Parties with pumping rights defined in the Judgment (41 Parties with BPA rights, and 2 Parties with other specified rights)
- Of the 43 Parties with pumping rights:
  - 13 Parties are assumed to be or have confirmed they are not active pumpers.
  - 26 Parties are confirmed pumpers.
  - 4 Parties are of unknown status but are assumed to be active pumpers.
- Among the confirmed 26 active pumping Parties, there are a total of 66 pumping wells.
  - Of these 66 pumping wells:
    - 20 wells have smart meters installed.
      - Full access to read the smart meters via telemetry has been provided to Watermaster staff at 16 of these smart meters.
      - Full access has not been provided for 4 of the smart meters (The four wells belong to two BPA Parties). Watermaster continues to estimate groundwater pumping at these wells.
    - 44 wells have manual-read meters installed and access for Watermaster to read the manual meters has been provided for all 44 wells.
    - 2 wells have not been verified to be metered
- For the 4 Parties that Watermaster has not been able to confirm as active pumpers, Watermaster continues to estimate groundwater pumping for these Parties.

3.1.1.2 Meter Reading

The meter reading program implemented during the reporting period was as follows:

- Watermaster established a monthly frequency for meter read reporting to support the effective implementation of the GMP.
- Not all meter reads need to be performed by Watermaster. Self-reporting of meter reads is acceptable between official Watermaster meter read events.
- For an initial period of time, a high frequency of meter reading is recommended as follows for manual-read and smart meters:
  - Manual-Read Meters
    - Official Watermaster meter-read events: Watermaster should perform official meter read events on a bimonthly schedule.
    - Self-Reporting meter-read events: Watermaster should direct the Parties to read and self-report meter reads on or about the last day of the month on a bimonthly scheduled (between official Watermaster reads). Parties with manual-read meters

can provide Watermaster staff with an email of the reporting period meter read, including the date and time of the read and a time-stamped photograph of the meter face as evidence of its readout value.

- Smart Meters (read via telemetry)
  - Official Watermaster meter-read events: Watermaster should perform official meter read events via telemetry on a bimonthly schedule.
  - Self-Reporting meter meter-read events: Watermaster should direct the Parties to read and self-report meter reads on or about the last day of the month. Parties can provide Watermaster staff with a PDF print out of the meter reads from the telemetry dashboard for the reporting period, or they can request Watermaster staff to read the smart meters via telemetry.
  - Parties with smart meters should perform periodic field verifications (e.g., manual reads) of smart meters to compare to the telemetry reported reads, and report the results (including the date and time of the manual read and a time-stamped photograph of the meter face as evidence of its readout value).

The ongoing frequency of official Watermaster meter reads will be periodically revisited by the TAC based on the effectiveness of the self-reporting program.

All metered data are reviewed by Watermaster staff monthly and checked for QA/QC and are used to calculate monthly pumping volumes, which are stored in Watermaster's data management system.

3.1.2 Groundwater Levels and Quality

Wells included in the groundwater monitoring network were incorporated from previous monitoring networks established by the BWD and its consultants, the County, DWR, and USGS. Wells were selected for monitoring based on a combination of factors, including geographic location, screen interval relative to the three principal aquifers, accessibility, well condition, and continuity of historical data. The Physical Solution establishes three initial management areas for the Basin—the North Management Area, the Central Management Area, and the South Management Area—that will be refined over time through the TAC process. The management areas are utilized to monitor the status of SGMA parameters and measure the progress towards achieving sustainability goals. The GMP monitoring network consists of 51 groundwater wells. Some of the wells are strictly observation wells (no pumping), while others are used to pump groundwater for municipal, recreation (e.g., golf courses), and other purposes. Of the 51 wells in the network, 50 are designated to be monitored for groundwater levels and 31 are designated to be monitored for water quality.

The wells included in the groundwater-level and water-quality monitoring program are listed in Table 6 and the locations are shown in Figure 2. Table 6 lists the wells by management area, and includes the local well name, State Well ID, and monitoring type. For groundwater levels, Table 6 also specifies the monitoring type as manual or transducer. Manual groundwater-level measurements are collected in the spring and fall of each year to track seasonal groundwater trends. Short-term trends are tracked by pressure transducers with onboard data loggers that are installed in 16 wells. The data loggers record groundwater levels at high-frequency intervals of 15 minutes to 1 hour. Long-term trends are tracked by analysis of data from key indicator wells dating to the mid-1950s.

Table 6. Groundwater Level and Quality Monitoring Network and Wells Monitored in Water Year 2021

Local Well Name	State Well ID	Well Use	Groundwater Monitoring Network					
			Water Level			Water Quality		
			Method if in program	Fall 2020	Spring 2021	Well in program?	Fall 2020	Spring 2021
North Management Area								
ID4-18	010S006E18J001S	Public Supply	transducer	x	x	yes	x	x
ID4-3	010S006E18R001S	Public Supply	manual	x	x			
ID4-4	010S006E29K002S	Public Supply	transducer	x	x	yes	x	x
MW-1	010S006E21A002S	Observation	transducer	x	x	yes	x	x
Evans	010S006E21E001S	Observation	manual	x	x			
Horse Camp	009S006E31E003S	Other	manual		x	yes		x
Fortiner #1 (Allegre 1)	010S006E09N001S	Domestic	manual	x		yes		
State Park Well 3	010S005E25R002S	Other	manual			yes		x
Central Management Area								
Anzio/Yaqui Pass	011S006E22E001S	Observation	manual	x	x			
BSR Well 6	011S006E09B002S	Irrigation	manual	x	x	yes	x	
Cameron 2	011S006E04F001S	Observation	manual	x	x			
County Yard	011S006E15G001S	Industrial	manual	x	x	yes	x	x
ID1-10	011S006E22D001S	Public Supply	manual	x	x	yes	x	
ID1-12	011S006E16A002S	Public Supply	transducer	x	x	yes	x	x
ID1-16	011S006E16N001S	Public Supply	transducer	x	x	yes	x	x
ID4-1	010S006E32R001S	Observation	manual	x	x			
ID4-10	011S006E18L001S	Public Supply	manual	x	x			x
ID4-11	010S006E32D001S	Public Supply	manual	x	x	yes	x	
ID4-2	011S006E07K003S	Observation	manual	x	x			
ID4-5	010S006E33Q001S	Observation	manual	x	x			x
ID5-5	011S006E09E001S	Public Supply	manual	x	x	yes	x	
MW-4	010S006E35Q001S	Observation	manual	x	x	yes	x	x
Paddock	011S006E22B001S	Observation	manual	x	x			
Palleson	010S006E33J001S	Observation	manual	x	x			
Wilcox	011S006E20A001S	Public Supply	manual	x	x	yes	x	x
White Well	010S006E29A001S	Observation	manual	x	x			
Hanna (Flowers)	010S006E14G001S	Observation	manual		x			
Airport 2	010S006E35N001S	Observation	manual	x				
Abandoned Motel-1	011S006E10N001S	Observation	manual	x				
Abandoned Motel-2	011S006E10N004S	Observation	manual	x				

Table 6. Groundwater Level and Quality Monitoring Network and Wells Monitored in Water Year 2021

Local Well Name	State Well ID	Well Use	Groundwater Monitoring Network					
			Water Level			Water Quality		
			Method if in program	Fall 2020	Spring 2021	Well in program?	Fall 2020	Spring 2021
South Management Area								
Air Ranch Well 4	011S007E30L001S	Public Supply	manual	x	x	yes	x	x
Army Well	011S006E34A001S	Observation	manual	x	x	yes	x	x
Bakko	011S006E22A001S	Observation	manual	x	x			
Hayden (32Q1)	011S007E32Q001S	Observation	manual	x	x			
ID1-8	011S006E23J001S	Public Supply	transducer	x	x	yes	x	x
JC Well	011S006E24Q001S	Observation	transducer	x	x	yes	x	
La Casa	011S006E23E001S	Irrigation	manual	x	x	yes	x	x
MW-3	011S006E23J002S	Observation	transducer	x	x	yes	x	x
MW-5A	011S007E07R001S	Observation	transducer	x	x	yes	x	x
MW-5B	011S007E07R002S	Observation	transducer	x	x	yes	x	x
RH-1 (ID1-1)	011S006E25A001S	Recreation	manual	x	x	yes	x	x
RH-2 (ID1-2)	011S006E25C001S	Recreation	transducer	x	x	yes	x	x
RH-3	011S006E25C002S	Recreation	transducer	x	x	yes	x	x
RH-4	011S006E24Q002S	Recreation	transducer	x	x	yes	x	x
RH-5	011S006E26B001S	Recreation	transducer	x	x	yes	x	x
RH-6	011S006E26H001S	Recreation	transducer	x	x	yes	x	x
WWTP	011S006E23H001S	Observation	transducer	x	x	yes	x	x
Bing Crosby Well	011S007E20P001S	Observation	manual		x			
Outside Borrego Springs Subbasin								
State Well	012S007E03L001S	Observation	manual		x	yes		
Nel Well	012S007E04R001S	Observation	manual		x			

(a) Wells denoted with "transducer" have a pressure transducer installed that continuously records water level measurements on a high frequency interval (15-minutes to 1 hour)

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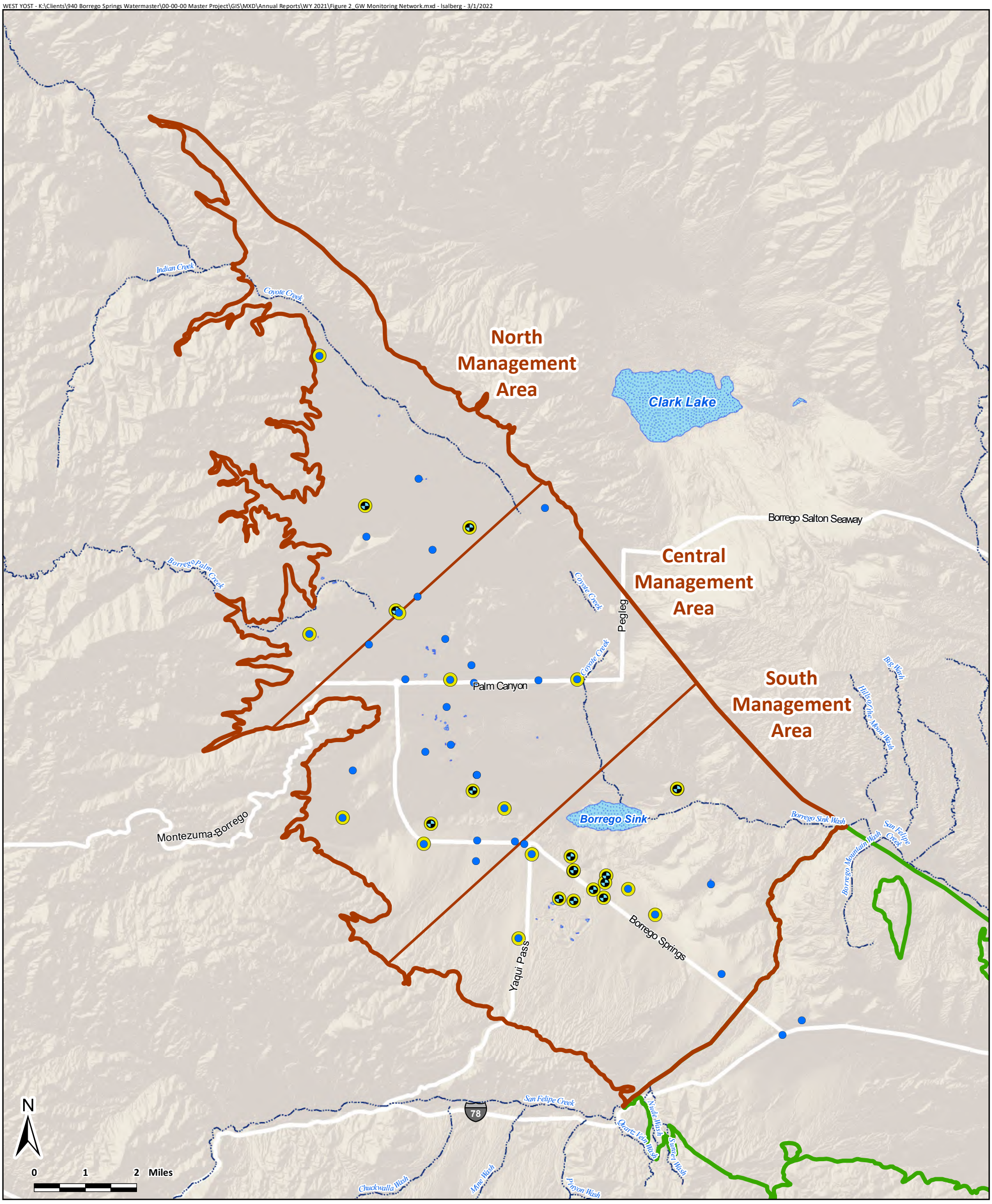

Groundwater Monitoring Nework Well Symbolized by Data Collection

- Manual Water-level Data
- Transducer Water-level Data
- Water Quality Data
- Management Area Divisions

Borrego Valley Groundwater Basin Subbasins

- Borrego Springs Groundwater Subbasin (7-024.01)
- Ocotillo Wells Groundwater Subbasin (7-024.02)

Surface Water Features

- Stream Channel
- Dry Lake

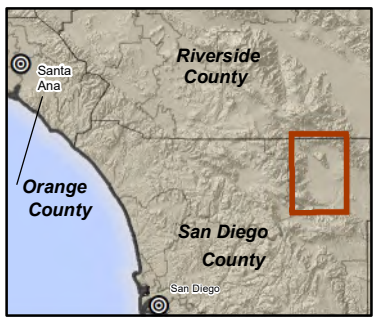

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Figure 2

Groundwater Level and Quality Monitoring Network

Borrego Springs Watermaster
Borrego Springs Subbasin
2021 Annual Report

Prepared by:

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Groundwater-quality samples are collected from 31 wells on a semi-annual basis to determine and track groundwater-quality trends. Water quality samples are tested for the contaminants of concern (COC) identified in the GMP and major anions and cations. The COCs include arsenic, fluoride, nitrate, sulfate, and total dissolved solids. The major anions and cations include bicarbonate and carbonate alkalinity, calcium, chloride, magnesium, potassium, and sodium.

Table 6 indicates which wells were able to be sampled during the fall 2020 and spring 2021 monitoring events of WY 2021. All groundwater level and quality data are reviewed by Watermaster staff, checked for QA/QC, and loaded into Watermaster's data management system.

Beginning in WY 2022, Watermaster will develop an updated Groundwater Quality Monitoring Plan pursuant to Section VI.B of the Judgment. And, Watermaster will begin working with DWR, BPA Parties, and others to expand the monitoring network in the Northern Management Area.

3.1.3 Surface Water Monitoring

As part of the development of the GMP, surface-water flow in Coyote Creek was investigated to assess whether the perennial and ephemeral creek segments are gaining water or losing water to the underlying aquifer system. To complete this analysis, the perennial extent of flow into the Basin was evaluated on a semi-annual basis (spring and fall) at five sites: Upper Historical Stream Gage Site (USGS 10255800), Third Crossing, Locking Gate, Lower Historical Stream Gage Site (USGS 10255805), and First Crossing. The manual flow measurements and visual observation of stream conditions on Coyote Creek showed that stream flow decreases from upstream to downstream and can be completely infiltrated by the First Crossing. This suggests that the Creek system, in aggregate, is losing water to the underlying aquifer system.

Based on observations by Watermaster staff in WY 2020 and 2021, it was determined to be impractical to measure streamflow in Coyote Creek as the stream channel is not always accessible for manual measurements due to excessive vegetation growth, shallow flows, and the presence of braided channels. The sites continue to be visited to make visual observations of flow conditions.

3.2 Technical Advisory Committee

3.2.1 TAC Responsibilities

Section IV.G of the Judgment and Article III of the Rules & Regulations provides for the formation of the Watermaster TAC. The Judgment defines the TAC as (Section I.A.58):

> *The advisory body established pursuant to Section IV.G(1) of this Judgment to study technical aspects of the Basin and to issue recommendations to Watermaster based on such technical study for the purpose of achieving Sustainable Groundwater Management in the Basin in an effective and efficient manner, consistent with the rights and obligations of the Parties established by this Judgment.*

Section IV.G.2 of the Judgment defines the TAC's duties and responsibilities to include making recommendations based on best science and data collected regarding the Water Budget and the avoidance of undesirable results, including without limitation information generated from model runs of the Borrego Valley Hydrologic Model. Section IV.E.7 calls for the TAC to meet at least semi-annually to review Watermaster activities pursuant to the Judgment. With regards to making recommendations to the Board, Section IV.G.1 of the Judgment provides that the TAC will endeavor to decide all matters by consensus. If consensus cannot be achieved, the TAC will present a report to the Watermaster describing

the differences of opinion and arguments in support thereof, with a draft of the report circulated for comment and input by all TAC members prior to submission of the report to Watermaster.

The types of activities within the subject matter expertise of the TAC on which recommendations are to be made to the Watermaster pursuant to the Judgment are summarized as follows.

Determination of Sustainable Yield (Section II.E; Section III.F). The Judgment describes the detailed process and schedule for re-determining Sustainable Yield and the implementation of the Rampdown through 2040. The near-term duties of the TAC include providing a recommendation on the scope of work and budget for technical work to be performed through September 30, 2023 to support the next redetermination of Sustainable Yield, which must be adopted by the Watermaster by January 1, 2025. An agreed upon scope of work was approved by the Board in June 2021.

Evaluation of Carryover (Section III.B). The Carryover provision for unused annual allocations of pumping rights must be re-evaluated by January 1, 2025, in consultation with the TAC.

BPA transfers (Section III.I.5). The Watermaster will seek input from the TAC if it seeks to restrict Permanent Transfers and Leases to specific areas of the Basin. This is an as-needed duty of the TAC.

Selection of Watermaster staff (Section IV.C). This is an as-needed duty of the TAC.

Water quality monitoring plan (Section VI.B). A water quality monitoring plan must be developed with TAC input within 24 months of entry of the Judgment. The TAC will also support the Watermaster's evaluation of water-quality data and any findings of impacts on beneficial uses and associated remedies.

3.2.2 TAC Membership

Table 7 lists the members of the TAC as of the end of the reporting period on September 30, 2021. Detailed information about the TAC member qualifications is provided on the Watermaster's website[17].

Table 7. Technical Advisory Committee Membership as of September 30, 2021

Representing	TAC Member
Borrego Springs Watermaster	Andy Malone, PG – Principal Geologist, West Yost Associates (Watermaster Lead Technical Consultant)
Borrego Water District	Trey Driscoll, PG, CHG - Principal Hydrogeology Project Manager, Dudek
Recreation Sector	Tom Watson, PG – Principal Geologist, Aquilogic
Agricultural Sector	Bob Wagner, PE – Principal Water Resources Engineer, Wagner & Bonsignore
County of San Diego	Jim Bennet, PG, CHG – Water Resources Manager, County of San Diego

[17] https://borregospringswatermaster.com/technical-advisory-committee-meetings/

3.2.3 Reporting Period Meetings and Recommendations

The meetings of the TAC are held virtually and are open to the public. The public is afforded the opportunity to address the TAC at the beginning and end of the meetings, and during TAC discussion if requested by the TAC. Table 8 lists the TAC meeting dates, agenda topics, and summary of the recommendations to the Board for the reporting period. The TAC meeting materials are available on the Watermaster's website[18].

Table 8. Technical Advisory Committee Meetings and Topics During the Reporting Period

Meeting Date	Agenda Topics	Summary of Recommendations to the Watermaster Board
October 27, 2020	• Objectives and Operations of the Technical Advisory Committee • Meter Reading Program – data collection frequency • TAC Schedule for WY 2021	• Establish monthly frequency for meter read reporting • Collect meter data through a combination of official Watermaster reads and self-reporting by pumpers • Collect information to verify that smart meters are accurately reporting pumping
April 27, 2021	• Recommend a Scope-of-Work and Budget to Redetermine Sustainable Yield by 2025	• None
May 25, 2021	• Recommend a Technical Scope-of-Work and Budget for Water Years 2022 and 2023 • Mid-year Review of the Well Production Meter-Reading Program	• Detailed scope of work, budget, and schedule for WYs 2022 and 2023 to support the redetermination of Sustainable Yield. The June 7, 2021 recommendation to the Board is included with this report as Appendix D.

[18] https://borregospringswatermaster.com/technical-advisory-committee-meetings/

3.3 Environmental Working Group

The Watermaster is responsible to establish an Environmental Working Group (EWG) to advise the Watermaster on GDEs and any other matters approved by the Board. At its November 2020 meeting, the Board established a sub-committee consisting of Directors Jim Bennett and Mark Jorgensen to develop a recommendation on a process to establish the EWG. The subcommittee established a draft mission statement for the EWG. The final mission statement approved by the Board is:

> *The role of the Environmental Working Group (EWG) is to advise and further the mission of the Borrego Springs Watermaster to implement the Stipulated Judgment and comply with Sustainable Groundwater Management Act (SGMA) by focusing on the protection of human health and the environment. The activities of the EWG shall be approved by the Watermaster Board and will always include a nexus between environmental issues and the sustainable use of groundwater in the Borrego Springs Subbasin. Activities of the EWG could include, but are not limited to:*
>
> - *Environmental assessment, monitoring, and habitat restoration or enhancement associated with groundwater dependent ecosystems*
> - *Management of fallowed lands and the potential for participating in biological mitigation projects*
> - *Addressing improperly abandoned wells*
> - *Management of non-native (invasive) species for water conservation purposes*
> - *Air quality monitoring*
> - *Pursuit of funding opportunities*

The EWG sub-committee also defined the proposed membership structure for the EWG, the desired qualifications of EWG members, and an application process to solicit membership. The EWG was to consist of a minimum of five members, including Director Jim Bennett (County of San Diego), Director Mark Jorgensen (Community Representative), and at least three at-large members selected by the Board. To best fulfill the mission, EWG members should have a background in science and one or more of the following specialties: desert ecosystems, groundwater dependent ecosystems, hydrogeology, hydrology, and/or the local water resources and biology of the Borrego Springs Subbasin and surrounding area. Local knowledge of the Borrego Springs area and local residency was also preferred.

In December 2020, the Watermaster posted and noticed an EWG membership application to solicit membership and accepted applications through January 2021. The EWG applications were reviewed by the Board and members were appointed at the January 14, 2021 meeting. Table 9 lists the EWG members appointed by the Board and actively serving as of September 30, 2021.

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Table 9. Environmental Working Group Membership as of September 30, 2021

Member and Affiliation	Member Experience
Mark Jorgensen Community Representative	Mr. Jorgensen is a retired Park Superintendent for Anza Borrego State Park and worked for California State Parks for 30 years. He sits on the Borrego Springs Watermaster Board representing the community of Borrego Springs.
Jim Bennett, PG, CHG County of San Diego	Mr. Bennett has 23 years of experience in hydrogeology. Mr. Bennett was the manager of the development of the GSP for the Borrego Springs Groundwater Subbasin. He sits on the Borrego Springs Watermaster Board, representing the County of San Diego
Jim Dice Reserve Manager at the Steele/Burnand Anza-Borrego Desert Research Center.	Mr. Dice has been Reserve Manager since the Steele/Burnand Anza-Borrego Desert Research Center opened in 2012. He retired in 2012 from California State Parks after 25 years of service with the State of California. He served as manager for San Diego State University's Santa Margarita Ecological Reserve from 1987-88 and Curator of the Desert Garden at Huntington Botanical Gardens in San Marino, California from 1981-1985.
Danny McCamish Senior Environmental Scientist for the Colorado Desert District of California State Parks	Mr. McCamish is a supervisory scientist overseeing Natural Resources Management for Colorado Desert District at California State Parks. He has 15 years of experience working in natural resources management and experience in climate change research.
John Peterson, PG, CHG Retired County Groundwater Geologist, California Professional Geologist and Certified Hydrogeologist	Mr. Peterson is a long-time resident of Borrego Springs with 40 years of experience in hydrogeology. He joined the County of San Diego as County Groundwater Geologist in 1981, and retired from the County in 2003. He also serves as Anza-Borrego Foundation Board Member.
Michael Wells, PhD Retired District Superintendent, Colorado Desert District, California Department of Parks and Recreation	Dr. Wells has over three decades of experience in natural resources management and a 34-year career with California State Parks. Dr. Wells has a PhD in physical geography from a joint program between San Diego State University and the University of California, Santa Barbara. He and his wife recently wrote a book on the natural history of the Anza-Borrego Region.

The meetings of the EWG are held virtually and are open to the public. The public is afforded the opportunity to address the EWG at the beginning and end of the meetings, and during EWG discussion if requested by the EWG. Table 10 lists the EWG meeting dates, agenda topics, and summary of the recommendations to the Board for the Reporting Period. The EWG meeting materials are available on the Watermaster's website[19].

[19] https://borregospringswatermaster.com/environmental-working-group/

Table 10. Environmental Working Group Meetings and Topics During the Reporting Period

Meeting Date	Agenda Topics	Summary of Recommendations to the Watermaster Board
February 26, 2021	• Objectives and Operation of the Environmental Working Group • EWG Schedule for 2021	• none
May 26, 2021	• Topics of Interest for the Environmental Working Group • Develop a Recommended Scope-of-Work and Budget WY 2022	• Recommended scope-of-work and budget for WY 2022 to advance work on the topics of (1) biological restoration of fallowed agricultural land and (2) monitoring of GDEs. The recommendation memo is available on Watermaster's website in the Board Agenda Package for June 10, 2021.

3.4 Redetermination of Sustainable Yield

During the reporting period, the Watermaster performed the following work in support of the redetermination of Sustainable Yield:

- Approved the TAC-recommended technical scope of work and budget for WYs 2022 and 2023 to support the redetermination of Sustainable Yield.

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4.0 WATER YEAR 2021 WATER RIGHTS ACCOUNTING

Watermaster is responsible for performing water rights accounting on an annual basis to track pumping, Carryover elections, transfers and leases between the Parties, and to calculate (1) the Adjusted Pumping Calculation on which pumping assessments for the ensuing year are based and (2) the total allowable pumping by Party for the ensuing WY.

4.1 Definitions

Key definitions for Watermaster's water rights accounting are:

Baseline Pumping Allocation. BPA is the maximum allowed Pumping quantity allocated to a Party and represents the allowed total annual pumping by each Party prior to the commencement of WY 2021. Exhibit 4 to the Judgment defines the BPA for each Party to the Judgment. Exhibit 4 is to be updated annually with any changes to BPA allocation based on Permanent Transfers of rights (see Appendix F).

Rampdown Rate. The percentage reduction in cumulative authorized Pumping of BPA effective across the Basin in any particular Water Year, which when subtracted from 100 percent will determine the effective Pumping Percentage. For example, the Rampdown rate for the first five-year period is 25 percent, for a total of five percent Rampdown relative to BPA per year. The Rampdown Rate for WY 2021 is 5 percent.

Pumping Percentage. The percentage of a Party's BPA that is authorized to be pumped in any particular water year, based on the pumping Rampdown percentage then in effect. For example, in WY 2021 the Pumping Percentage is 95 percent, which is a 5 percent pumping rampdown from BPA.

Annual Allocation. The maximum amount of Pumping allowed for a BPA Party in a given WY, excluding Carryover. The Annual Allocation for each WY will be determined by multiplying the Party's BPA by the Pumping Percentage in effect for that Water Year. Annual Allocation is rounded to the nearest whole af.

Carryover. Section III.B of the Judgment provides that any unused Annual Allocation arising from your BPA may be carried over for use in subsequent water years as "Carryover", so long as the Party electing to Carryover is in good standing with respect to payment of assessments and accurate metering of wells. A Party's maximum Carryover that it may retain at any time is two times the Party's BPA.

Permanent Transfer. A transfer of BPA, including any portion of a Party's total BPA, which is permanently added to a grantee's cumulative BPA and subtracted from the grantor's BPA, and when multiplied by the pumping Rampdown percentage will establish additional Annual Allocation of the grantee in each WY.

Lease. A transfer of Annual Allocation or Carryover for one Water Year or for several Water Years, as set forth in a written lease agreement.

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Adjusted Pumping Calculation. The basis of establishing each Party's pumping assessment. Section IV.E.4 of the Judgment establishes that the annual Watermaster Budget be funded through the establishment of an annual uniform pumping assessment (expressed in $/af of pumping). Watermaster calculates each Party's annual Adjusted Pumping Calculation in af as follows:

Total Pumping by Party (af)
+ Total Pumping by Party's Lessee (af)
– Amount of Carryover Pumped by Party (af)
– Amount of Annual Allocation or Carryover Leased from Others and Pumped by Party (af)
+ Carryover Election (af)

= Adjusted Pumping Calculation (af)

Overproduction. Pumping by a Party in any particular WY that is in excess of the sum of the Party's Annual Allocation plus any leased Annual Allocation plus any accrued Carryover.

Maximum Overproduction Limit. The Maximum Overproduction Limit is 20 percent of a Party's Annual Allocation. Overproduction up to the Maximum Over Production Limit must be covered within one year of the Overproduction, either by using less allocation (e.g., under-pumping the allowable pumping limit afforded by Annual Allocation or apply and Carryover) in the subsequent WY or by Lease or Permanent Transfer. If not covered by one of these means by the end of the subsequent WY, an Overproduction Penalty Assessment applies. If Overproduction exceeds the Maximum Overproduction Limit, an immediate Overproduction Penalty Assessment applies for the Overproduction amount in excess of the Maximum Overproduction Limit.

Maximum Overproduction Limit for the WY 2021 to 2023 Period. The cumulative of the Maximum Overproduction Limit for the three-year period of WY 2021 to 2023. During the first three WYs, the Judgment provides that no party will be subject to an immediate Overproduction Penalty Assessment so long as the total cumulative Overproduction in those three years does not exceed the cumulative Maximum Overproduction Limit for the three-year period. The Parties have until the end of WY 2025 to cure any overproduction up to the cumulative Maximum Overproduction Limit for the first three WYs through under-pumping, Carryover, Lease, or Permanent Transfer. Overproduction in excess of the three-year cumulative Maximum Over Production Limit will be subject to an Overproduction Penalty Assessment for the amount in excess of the Maximum Over Production Limit for the WY 2021 to 2023 Period unless the excess Overproduction is cured in the subsequent water year through any of the above noted mechanisms.

4.2 Permanent Transfers of BPA

All transfers of BPA are reviewed by Watermaster staff and documented on Watermaster-approved forms[20]. Once complete, the transfers are submitted to the Board to receive and file. During WY 2021, there was one permanent transfer of BPA. Monica Real Estate Holdings, LP transferred the entirety of its BPA to T2 Borrego, LLC (Ram's Hill). Monica Real Estate Holdings, LP is no longer a Party to the Judgment. Appendix F of this Annual Report contains the updated Exhibit 4 listing of BPA by Party as of October 1, 2021.

[20] https://borregospringswatermaster.com/documents/. See Forms for Documentation and Approval of Water Rights Transfers.

4.3 Adjusted Pumping Calculation for WY 2021

To support the estimation of the Adjusted Pumping Calculations, by October 15th of each new WY, Watermaster is required to submit a notice to each Party of its total prior WY pumping, amount of Carryover pumped, amount of leases and transfers pumped, and the maximum amount of Annual Allocation eligible for Carryover from the preceding WY. And, the report must provide an estimate of the Pumping Assessment for the ensuing WY to support the Parties' elections to Carryover or not pump. The schedule in Section IV.E.4 of the Judgment also prescribes that all elections to Carryover or not pump must be reported to the Watermaster by October 31, 2021.

Watermaster completed the water rights accounting for its first complete WY in November 2021. Table 11 shows the summary of the WY 2021 water rights accounting for each Party to the Judgment, the table shows:

- The total of BPA plus other rights is 23,335 af
- A total of 18 af of BPA was permanently transferred among BPA parties
- The total WY 2021 Pumping Allocation of 95 percent of BPA was 23,122 af
- The total Carryover account balance at the start of WY 2021 was 0 af
- The total Carryover limit of all Parties is 48,550 af
- There were no leases or transfers of Annual Allocation in WY 2021
- The total allowable pumping for WY 2021 was 23,122 af
- The total of the Cumulative Maximum Overproduction Limit for WYs 2021 to 2023 is 13,141 af
- The total pumping by the Parties in WY 2021 was 15,221.46 af, which is 66% of the Annual Allocation
- The total amount of Overproduction was 167 af. Two Parties pumped in excess of their Maximum Overproduction Limits for WYs 2021 through 2023
- The total unpumped Annual Allocation eligible for Carryover was 8,058.07 af
- The total election of Carryover to WY 2022 was 7,336.66 af, which is 91 percent of the eligible Carryover
- The total Adjusted Pumping Calculation was 22,558.12 af

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Table 11 - WY 2021 Water Rights Accounting Summary for the Borrego Springs Subbasin - (all values in acre-feet unless otherwise noted)

BPA Party or Rights Holder Name	BPA or Maximum Allotment as of Oct. 1, 2020 *(a)*	Permanent Transfer of BPA[c] *(b)*	BPA or Maximum Allotment as of Sept. 30, 2021 *(c) = (a) + (b)*	WY 2021 Pumping Allocation (95% of BPA)[a] *(d) = 0.95 x (c)*	Carryover Account Balance[b] *(e)*	Carryover Account Limit *(f) = 2 x (c)*	Leased or Transferred Allocations in WY 2021[c] *(g)*	Total Allowable Pumping for WY 2021 *(h) = (d)+(e)+(g)*	Cumulative Max Over Production Limit for WYs 2021-2023[d] *(i) = 20% of Annual Allocation in WYs 21, 22, 23*	Total Pumping in WY 2021 *(j)*	WY 2021 Pumping Metered or Estimated[5] *(k)*	% of Annual Allocation Pumped in WY 2021 *(l) = (j)/(d)*	Carryover Pumped[f] *(m)*	Over-Production[d] *(n) = (j) - (h)*	Pumping Allocation Eligible for Carryover[g] *(o)*	Carryover Election by Party *(p)*	Adjusted Pumping Calculation *(q)= (j-(g)-(m)+(k)*
TOTALS	**24,335**		**24,335**	**23,122**	**0**	**48,550**	**0**	**23,122**	**13,141**	**15,221.46**		**66%**	**0**	**167**	**8,058.07**	**7,336.66**	**22,558.12**
BPA Parties																	
Agri-Empire	574	0	574	545.00	0	1,148	0.00	545.00	309.96	**0.00**	na	0%	0.00		545.00	0.00	0.00
Rick and Joan Anson, co-trustees of the Anson Family Trust 08-1 8-08	2	0	2	2.00	0	4	0.00	2.00	1.08	**0.00**	na	0%	0.00		2.00	0.00	0.00
Alan & Tracy Asche	5	0	5	5.00	0	10	0.00	5.00	2.70	**0.85**	Estimated (P)	17%	0.00		4.15	4.15	5.00
Gary D. & Darlis A. Bailey	7	0	7	7.00	0	14	0.00	7.00	3.78	**4.26**	Estimated	61%	0.00		2.74	2.74	7.00
David and Juli Bauer, co-trustees of the D&J Bauer Family Trust 11-18-04	1,826	0	1,826	1,735.00	0	3,652	0.00	1,735.00	986.04	**1,516.62**	Metered	87%	0.00		218.38	218.38	1,735.00
William M. Bauer	670	0	670	637.00	0	1,340	0.00	637.00	361.80	**670.16**	Estimated	105%	0.00	33.16	0.00	0.00	670.16
Borrego Air Ranch Mutual Water & Improvement Co.	12	0	12	11.00	0	24	0.00	11.00	6.48	**9.42**	Metered	86%	0.00		1.58	1.58	11.00
Borrego Nazareth LLC	1,462	0	1,462	1,389.00	0	2,924	0.00	1,389.00	789.48	**58.35**	Metered	4%	0.00		1,330.65	1,330.65	1,389.00
Borrego Water District	2,581	0	2,581	2,452.00	0	5,162	0.00	2,452.00	1,393.74	**1,528.84**	Metered	62%	0.00		923.16	923.16	2,452.00
Carpenter Family Trust 12-11-07	6	0	6	6.00	0	12	0.00	6.00	3.24	**4.33**	Estimated	72%	0.00		1.67	1.67	6.00
Conzelman/Jensen/Sommerville Family Trusts	4,741	0	4,741	4,504.00	0	9,482	0.00	4,504.00	2,560.14	**3,953.81**	Metered	88%	0.00		550.19	550.19	4,504.00
Desert Farm LLC Crumrine Family Trust 04-19-06	21	0	21	20.00	0	42	0.00	20.00	11.34	**26.90**	Estimated	135%	0.00	6.90	0.00	0.00	26.90
CWC Casa Del Zorro LLC	22	0	22	21.00	0	44	0.00	21.00	11.88	**19.59**	Metered	93%	0.00		1.41	1.41	21.00
De Anza Desert Country Club	957	0	957	909.00	0	1,914	0.00	909.00	516.78	**828.58**	Metered	91%	0.00		80.42	80.42	909.00
John B. & Silvia H. Hogan	8	0	8	8.00	0	16	0.00	8.00	4.32	**6.07**	Estimated (P)	76%	0.00		1.93	1.93	8.00
John Doljanin	887	0	887	843.00	0	1,774	0.00	843.00	478.98	**820.00**	Estimated	97%	0.00		23.00	0.00	820.00
Genus L.P.	112	0	112	106.00	0	224	0.00	106.00	60.48	**0.00**	na	0%	0.00		106.00	0.00	0.00
JM Roadrunner, LLC	1,613	0	1,613	1,532.00	0	3,226	0.00	1,532.00	871.02	**923.33**	Metered	60%	0.00		608.67	608.67	1,532.00
Robert Larkins	2	0	2	2.00	0	4	0.00	2.00	1.08	**0.00**	na	0%	0.00		2.00	0.00	0.00
Michael Maiter & John Savittieri	1	0	1	1.00	0	2	0.00	1.00	0.54	**0.00**	na	0%	0.00		1.00	1.00	1.00
Gamini D. Weerasekera	103	0	103	98.00	0	206	0.00	98.00	55.62	**161.64**	Metered	165%	0.00	63.64	0.00	0.00	161.64

Table 11 - WY 2021 Water Rights Accounting Summary for the Borrego Springs Subbasin - (all values in acre-feet unless otherwise noted)

BPA Party or Rights Holder Name	BPA or Maximum Allotment as of Oct. 1, 2020 *(a)*	Permanent Transfer of BPA[c] *(b)*	BPA or Maximum Allotment as of Sept. 30, 2021 *(c) = (a) + (b)*	WY 2021 Pumping Allocation (95% of BPA)[a] *(d) = 0.95 x (c)*	Carryover Account Balance[b] *(e)*	Carryover Account Limit *(f) = 2 x (c)*	Leased or Transferred Allocations in WY 2021[c] *(g)*	Total Allowable Pumping for WY 2021 *(h) = (d)+(e)+(g)*	Cumulative Max Over Production Limit for WYs 2021-2023[d] *(i) = 20% of Annual Allocation in WYs 21, 22, 23*	Total Pumping in WY 2021 *(j)*	WY 2021 Pumping Metered or Estimated[5] *(k)*	% of Annual Allocation Pumped in WY 2021 *(l) = (j)/(d)*	Carryover Pumped[f] *(m)*	Over-Production[d] *(n) = (j) - (h)*	Pumping Allocation Eligible for Carryover[g] *(o)*	Carryover Election by Party *(p)*	Adjusted Pumping Calculation *(q)= (j-(g)-(m)+(k)*
TOTALS	**24,335**		**24,335**	**23,122**	**0**	**48,550**	**0**	**23,122**	**13,141**	**15,221.46**		**66%**	**0**	**167**	**8,058.07**	**7,336.66**	**22,558.12**
BPA Parties																	
Manuel & Araceli C. Navarro	14	0	14	13.00	0	28	0.00	13.00	7.56	**13.58**	Estimated	104%	0.00	0.58	0.00	0.00	13.58
Monica Real Estate Holdings, LP	18	-18	0	0.00	na	na	na	na	9.72	na	na	na	na	na	na	na	na
Doug & Patricia Munson	1	0	1	1.00	0	2	0.00	1.00	0.54	**0.00**	na	0%	0.00		1.00	0.00	0.00
Ronald Pecoff	114	0	114	108.00	0	228	0.00	108.00	61.56	**84.36**	Estimated	78%	0.00		23.64	0.00	84.36
The Roadrunner Club at Borrego, LP	520	0	520	494.00	0	1,040	0.00	494.00	280.80	**386.28**	Metered	78%	0.00		107.72	107.75	494.03
RTA Borrego, LLC	12	0	12	11.00	0	24	0.00	11.00	6.48	**0.00**	na	0%	0.00		11.00	0.00	0.00
Jose G. & Maria E. Sanchez	4	0	4	4.00	0	8	0.00	4.00	2.16	**1.20**	Estimated	30%	0.00		2.80	0.00	1.20
Seley Ranches, L.P.	2,226	0	2,226	2,115.00	0	4,452	0.00	2,115.00	1,202.04	**1,569.44**	Metered	74%	0.00		545.56	545.56	2,115.00
Shenandoah Growers, Inc.	61	0	61	58.00	0	122	0.00	58.00	32.94	**90.06**	Metered	155%	0.00	32.06	0.00	0.00	90.06
Max Siefker	2	0	2	2.00	0	4	0.00	2.00	1.08	**0.00**	na	0%	0.00		2.00	0.00	0.00
Brian Siefker Trust 12-18-01	3	0	3	3.00	0	6	0.00	3.00	1.62	**0.00**	na	0%	0.00		3.00	0.00	0.00
Smith Kent R. Revocable Living Trust 01-04-90	32	0	32	30.00	0	64	0.00	30.00	17.28	**0.00**	na	0%	0.00		30.00	30.00	30.00
The Springs RV and Golf Resort, LP	287	0	287	273.00	0	574	0.00	273.00	154.98	**248.40**	Metered	91%	0.00		24.60	24.60	273.00
T2 Borrego, LLC	965	0	965	917.00	0	1,930	0.00	917.00	521.10	**0.00**	na	0%	0.00		917.00	917.00	917.00
T2 Borrego, LLC - Ram's Hill	2,518	18	2,536	2,409.00	0	5,036	0.00	2,409.00	1,359.72	**796.23**	Metered	33%	0.00		1,612.77	1,612.77	2,409.00
T2 Farms LLC	485	0	485	461.00	0	970	0.00	461.00	261.90	**367.55**	Metered	80%	0.00		93.45	93.45	461.00
Bagdasarian Farms, LLC	1,142	0	1,142	1,085.00	0	2,284	0.00	1,085.00	616.68	**892.73**	Metered	82%	0.00		192.27	192.27	1,085.00
Joel Vanasdlen	36	0	36	34.00	0	72	0.00	34.00	19.44	**0.00**	na	0%	0.00		34.00	34.00	34.00
Michael C. Ward, Sr. Revocable Trust 10-05-17	82	0	82	78.00	0	164	0.00	78.00	44.28	**25.69**	Metered	33%	0.00		52.31	52.31	78.00
Wisdom Gabriel B & Weiss-Wisdom Diana Family 2008 Trust 08-01-08	1	0	1	1.00	0	2	0.00	1.00	0.54	**0.00**	na	0%	0.00		1.00	1.00	1.00
Wright Family Living Trust 06-19-89	158	0	158	150.00	0	316	0.00	150.00	85.32	**158.43**	Estimated	106%	0.00	8.43	0.00	0.00	158.43

Table 11 - WY 2021 Water Rights Accounting Summary for the Borrego Springs Subbasin - (all values in acre-feet unless otherwise noted)

BPA Party or Rights Holder Name	BPA or Maximum Allotment as of Oct. 1, 2020 *(a)*	Permanent Transfer of BPA[c] *(b)*	BPA or Maximum Allotment as of Sept. 30, 2021 *(c) = (a) + (b)*	WY 2021 Pumping Allocation (95% of BPA)[a] *(d) = 0.95 x (c)*	Carryover Account Balance[b] *(e)*	Carryover Account Limit *(f) = 2 x (c)*	Leased or Transferred Allocations in WY 2021[c] *(g)*	Total Allowable Pumping for WY 2021 *(h) = (d)+(e)+(g)*	Cumulative Max Over Production Limit for WYs 2021-2023[d] *(i) = 20% of Annual Allocation in WYs 21, 22, 23*	Total Pumping in WY 2021 *(j)*	WY 2021 Pumping Metered or Estimated[5] *(k)*	% of Annual Allocation Pumped in WY 2021 *(l) = (j)/(d)*	Carryover Pumped[f] *(m)*	Over-Production[d] *(n) = (j) - (h)*	Pumping Allocation Eligible for Carryover[g] *(o)*	Carryover Election by Party *(p)*	Adjusted Pumping Calculation *(q)= (j-(g)-(m)+(k)*
TOTALS	**24,335**		**24,335**	**23,122**	**0**	**48,550**	**0**	**23,122**	**13,141**	**15,221.46**		**66%**	**0**	**167**	**8,058.07**	**7,336.66**	**22,558.12**
BPA Parties																	
Other Parties with Rights																	
Borrego Springs Unified School District	22	na	22	22.00	na	na	0.00	22.00	11.88	**44.66**	Metered	203%	na	22.66	na	na	44.66
Anza Borrego Desert State Park	20	na	20	20.00	na	na	0.00	20.00	10.80	**10.10**	Metered	51%	na	0.00	na	na	10.10

(a) The rampdown applies only to BPA Parties. For BPA Parties the WY 2021 pumping allocation is 95% of BPA, rounded to the nearest whole number. For BSUSD and ABDSP, the rights are not subject to rampdown or carryover provisions. All other Judgment provisions apply.

(b) All parties have a zero Carryover account balance in WY 2021. The maximum Carryover balance is two times the BPA (=2 x BPA).

(c) A negative value indicates right transferred to another Party. A positive value indicates rights transferred from another Party.

(d) The Judgment provides that in the first three years of operation, a party can pump in excess of its Annual Allocation without incurring an immediate Overproduction penalty, so long as the total cumulative Overproduction in those three years does not exceed the cumulative Maximum Overproduction Limit for the three-year period. Parties have until September 30, 2025 to remedy Overproduction in WYs 2021 through 2023. If a Party produces in excess of the three-year cumulative Maximum Overproduction Limit, then the Overproduction over the maximum limit is subject to Overproduction assessments if not remedied by September 30, 2022.

(e) Not all parties were metered by October 1, 2020. "Estimated (P)" values were estimated for parties with partial year metered data (the available data was used to estimate pumping for the WY based on the data available).
"Estimated" values are for Parties with no meter data available in which case the pumping was estimated based on the method used in the GMP. "na" values represent parties who are not actively pumping and have no operable wells.

(f) If j > e then m = e; if j < e, then m = j. The first water pumped each year is Carryover, thus there was no Carryover Pumping in WY 2021.

(g) If no Overproduction, (o) = (d) - (k) + (g) + (m)

4.4 WY 2022 Pumping Assessments

4.4.1 Pumping Assessment Rate

The uniform pumping assessment is calculated based on the total of all Parties' Adjusted Pumping Calculations as follows:

Total Watermaster Assessment for WY ($)
÷ Total Adjusted Pumping Calculation of all Parties who did not forego Pumping (af)
= Pumping Assessment Rate ($/af)

The final Pumping Assessment of each Party is then computed as follows:

Adjusted Pumping Calculation (af)
x Pumping Assessment Rate ($/af)
= Pumping Assessment ($)

The final Pumping Assessment Rate for WY 2022, based on the approved WY 2022 Budget (see Section 2.6.2 of this Report) and the WY 2021 Adjusted Pumping Calculations is:

$458,000
÷ 22,558.12 af
= $20.30/af

4.4.2 Overproduction Penalty Assessments

The Judgment provides the Watermaster the authority to establish penalty assessments for Overproduction in accordance with the definitions described in Section 4.1. Pursuant to Section III.G.4 of the Judgment, the Watermaster sets the Overproduction Penalty Assessment Rate and it may not be less than $500 per af of Overproduction.

Since this is the first year of implementation of the Judgment, there were no immediate Overproduction Penalty Assessments to issue. The two parties that pumped in excess of their Maximum Overproduction Limits for WYs 2021 through 2023 will be subject to Overproduction Penalty Assessments in WY 2023 if they do not cure the amount of Overproduction in excess of the Maximum Overproduction Limit by September 30, 2022.

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5.0 BORREGO SPRINGS SUBBASIN HYDROGEOLOGIC CONDITIONS

5.1 Basin Setting

The Basin is defined as DWR Basin No. 7.024.01: the Borrego Springs Groundwater Subbasin (see location in Figure 1). The Basin has a surface area of approximately 98 square miles (62,776 acres). The western and southwestern boundary of the Basin is defined by the contact of poorly to moderately consolidated sediments with the plutonic and metamorphic basement of Pinyon Ridge and the San Ysidro Mountains. The northern and eastern boundaries are defined by the mapped trace of the Coyote Creek fault that trends northwest-southeast. East of the Coyote Creek fault lies Coyote Mountain, the Borrego Badlands, and the Ocotillo-Clark Valley Groundwater Basin. The southeastern boundary of the Plan Area is defined by the location of San Felipe Creek, as mapped by the U.S. Geological Survey (USGS) National Hydrography Dataset, which also marks the northern boundary of the Ocotillo Wells Groundwater Subbasin (DWR Basin No. 7.024.02).

The Basin consists primarily of private land under County jurisdiction, which is surrounded on nearly all sides by land owned by the State of California – the ABDSP. Within the Basin, most of the land is undeveloped. The developed land uses include residential, agricultural, recreational (including golf courses), transportation infrastructure, and commercial uses. The sole municipal water district is the BWD, which provides water and sewer service to the developed portions of Borrego Valley within its service area.

Groundwater from the Basin is the sole source of water supply within the area. Groundwater is pumped for municipal supply; irrigation of agriculture, golf courses, and other recreational landscapes; and private domestic or commercial supply. Over the past 65 years, groundwater levels have declined as much as 126 feet due to groundwater pumping in excesses of average annual recharge. An estimated 520,000 acre-feet (af) of water was pumped from storage over this period. These conditions prompted the DWR to designate the Basin as critically over-drafted and of high priority for groundwater management.

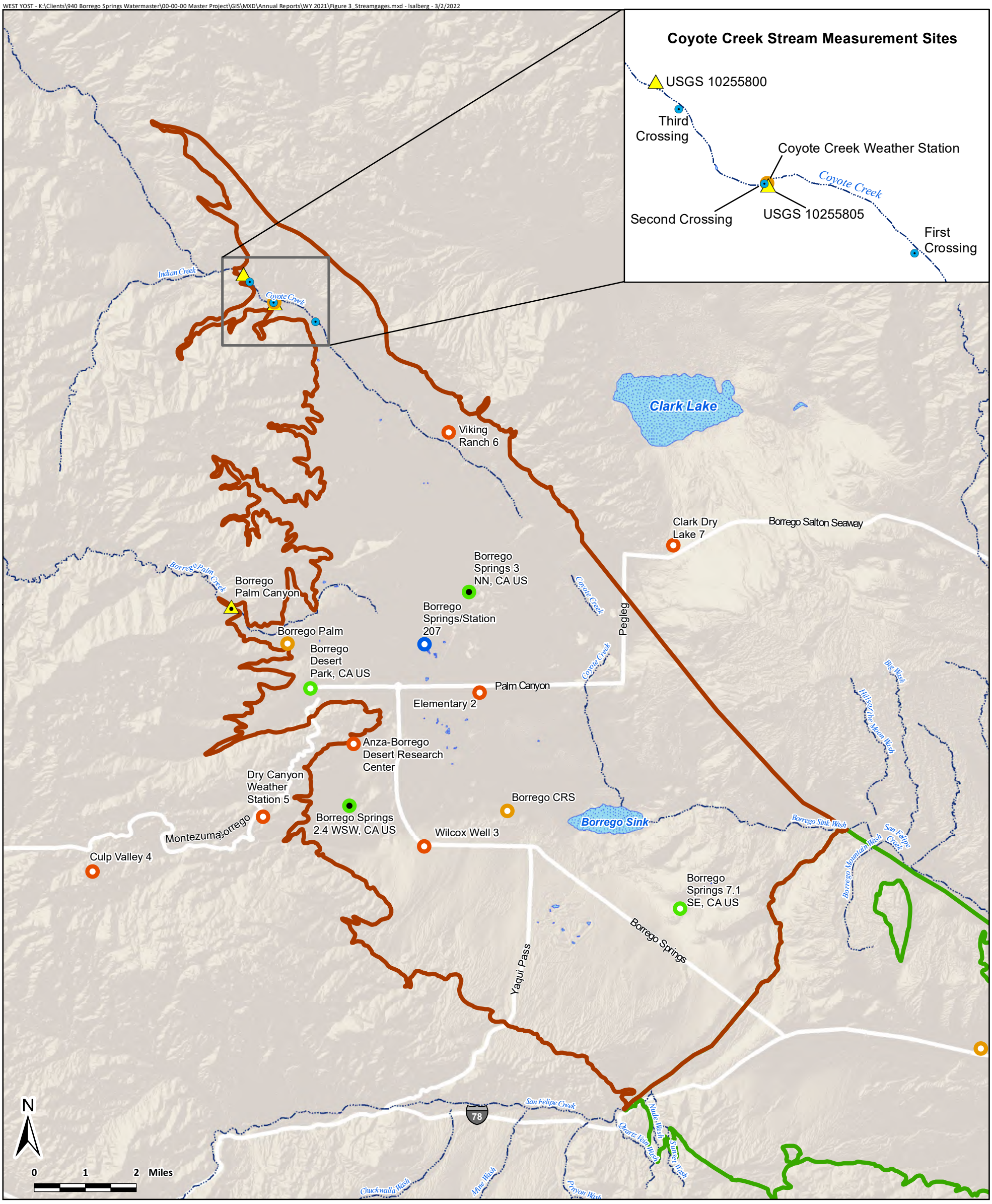
The hydrostratigraphy of the Basin has been subdivided into the upper, middle, and lower aquifers. The differentiation between the three aquifers is based on a textural analysis of driller's lithologic logs and geophysical logs. The basin fill sediments of the Borrego Valley consist of unconsolidated to poorly consolidated mixtures of gravel, sand, silt, and clay. As there are no regionally extensive aquitards (e.g., a laterally continuous thick clay layer), the upper aquifer behaves in a predominantly unconfined manner, and the middle and lower aquifers exhibit leaky confined or semi-confined characteristics based on limited aquifer testing. The lower aquifer is the most fine-grained unit, containing higher amounts of silt and clay. For the calculation of change in groundwater storage pursuant to CCR Article 7, Section 356.2, the three aquifers are considered to comprise a single unconfined aquifer.

A detailed description of the institutional setting, hydrogeology, and historical conditions within the Basin is included in Chapter 2 of the GMP (Dudek 2020a).

5.2 Climate

Figure 3 shows the location of the climate monitoring stations in and around the Basin that measure and record precipitation, temperature, and/or evapotranspiration (ET) data for the Plan Area. Each data type is described below.

WEST YOST - K:\Clients\940 Borrego Springs Watermaster\00-00-00 Master Project\GIS\MXD\Annual Reports\WY 2021\Figure 3_Streamgages.mxd - lsalberg - 3/2/2022



Streamgages

- USGS Inactive Streamgage
- USGS Active Streamgage
- Coyote Creek Stream Measurement Site

Weather Stations

- California Irrigation Management Information System Station
- National Climactic Data Center Station (black fill denotes inactive stations)
- San Diego County Flood Control Station
- U.C. Irvine Station

Borrego Valley Groundwater Basin Subbasins

- Borrego Springs Groundwater Subbasin (7-024.01)
- Ocotillo Wells Groundwater Subbasin (7-024.02)

Surface Water Features

- Stream Channel
- Dry Lake

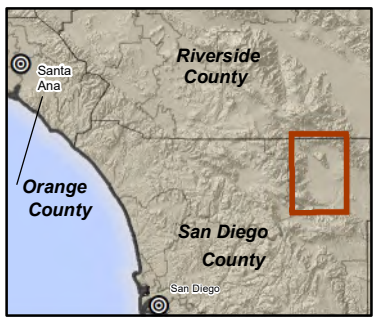


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Figure 3

Atmospheric and Surface-Water Monitoring Stations

Borrego Springs Watermaster
Borrego Springs Subbasin
2021 Annual Report

Prepared by:

WEST YOST

5.2.1 Precipitation

Within the Plan Area, average annual precipitation ranges from up to eight inches per year along the northwest edge of the valley, to less than four inches per year to the southeast. Precipitation is greater outside the Plan Area in the mountains to the west, north, and northeast of the Borrego Valley. Precipitation patterns are influenced by two distinct sources. The first source is Pacific frontal systems that bring regional rain bands to Southern California, typically between October and April. The second source is isolated and scattered thunderstorms that occur when moisture from the Gulf of California travels from south to north through the Plan Area. This phenomenon, commonly referred to as the "monsoon" season, is strongest in the summer months, but is not a regular or consistent occurrence. Occasionally, the decaying remnants of former tropical storms or hurricanes can pass through the area and in some years, these further enhance the precipitation totals during the monsoon season. As a result of these disparate influences, the precipitation record is highly variable both seasonally and annually. This makes defining the parameters of "wet" or "dry" years difficult (e.g., one thunderstorm may drop half of the yearly total in an otherwise dry season). Thus, for the purpose of defining the water year type, years with precipitation within one standard deviation (3.46 inches) of the long-term average precipitation (5.55 inches) are defined as "normal" (e.g., between 2.09 to 9.01 inches), years with above "normal" precipitation are considered "wet," and years with below "normal" precipitation are considered "dry."

The weather station in the Plan Area with the longest and most complete precipitation record is the Borrego Desert Park Station[21] (shown on Figure 3), which has complete water year records from WY 1948 to present. The mean WY precipitation is approximately 5.55 inches. Figure 4 is plot of the WY annual precipitation totals, the long-term mean and standard deviation from the mean, and the cumulative departure from mean (CDFM) precipitation for WYs 1948 to 2021. The CDFM plot is a useful way to characterize the occurrence and magnitude of wet and dry periods (relative to the mean): positive sloping segments (trending upward from left to right) indicate wet periods, and negative sloping segments (trending downward from left to right) indicate dry periods.

Precipitation in WY 2021 was 2.51 inches, which is 3.04 inches less than the mean for the period of record. Based on the standard deviation from the mean, WY 2021 was a "normal" year. Based on the CDFM curve in Figure 4, WY 2021 was a dry year and relative to the mean, the region has been experiencing a nearly 30-year dry period since 1993, punctuated by a few wet years.

[21] NOAA, 2021. Station: Borrego Desert Park, Network ID - GHCND: USC00040983.

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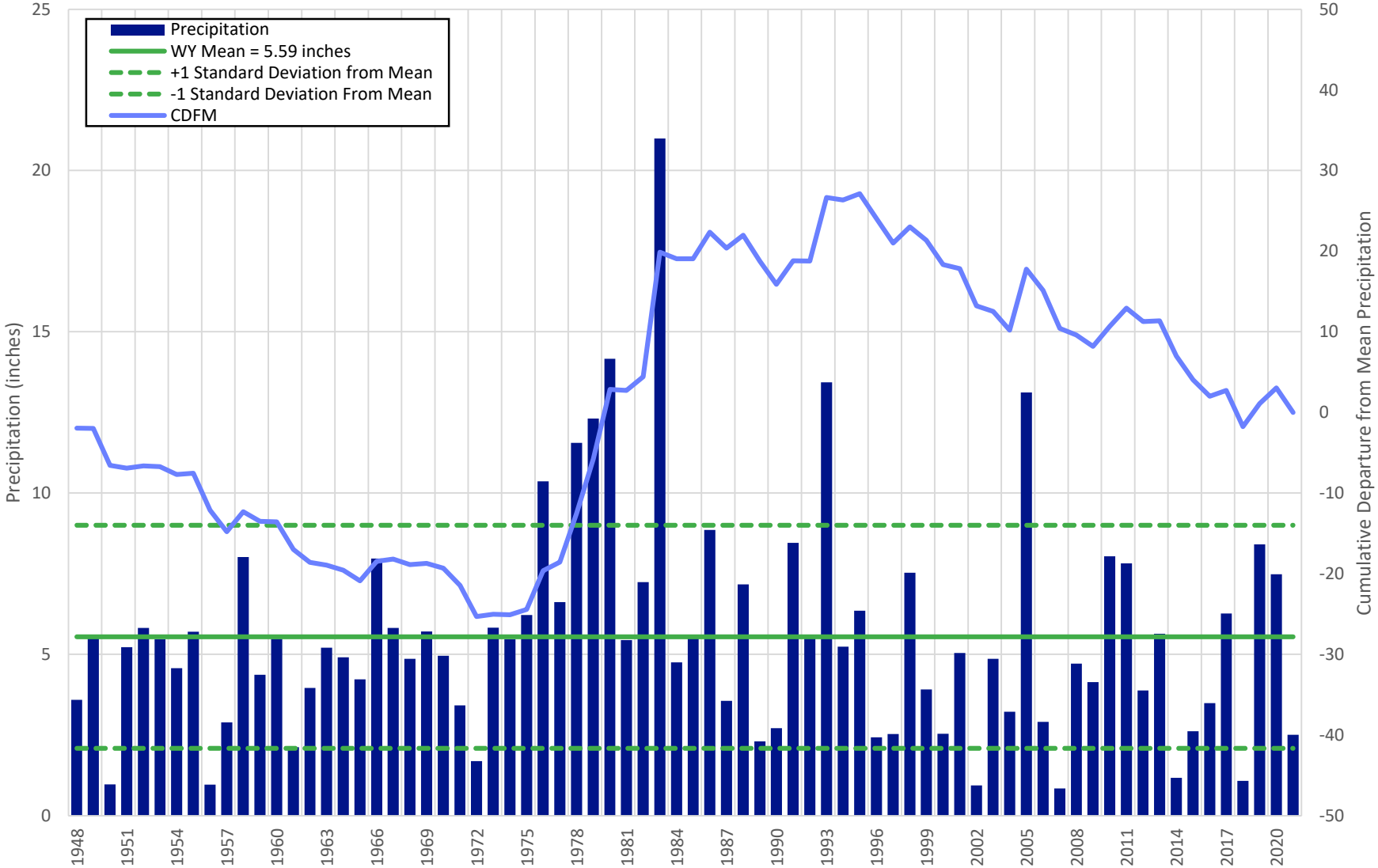
Figure 4. Time History of Annual Precipitation and Cumulative Departure From Mean
Borrego Desert Park Station (GHCND:USC00040983)



5.2.2 Temperature and Evapotranspiration

The climate of the Borrego Valley is arid with hot summers and cool winters. Based on the Borrego Desert Park Station, which has a nearly complete daily temperature record since 1968, the long-term average annual daytime high temperature is 87.9°F, ranging from a low average monthly daytime temperature of 61.1°F in January to a high average monthly daytime temperature of 112°F in July. The average annual nighttime temperature is 58.8°F, ranging from a low of 38.2°F in December, to a high of 82.5°F in July.

In 2021, the average daytime high temperature was 88.9°F and the average nighttime low was 62.3°F. The maximum average monthly daytime temperature was 107.8°F in July, and the minimum average monthly nighttime temperature was 47.2°F in January 2021.

According to the *State of California Reference Evapotranspiration Map* developed by CIMIS, the Plan Area is located within Evapotranspiration Zone 18, with an annual average ETo of 71.6 inches or 5.97 feet (DWR 2012). Reference ET (ETo) in the Plan Area is obtained from California Irrigation Management Information System Station (CIMIS) Station 207 (see station location on Figure 3). ETo values calculated from the CIMIS data reflect the amount of water that could be transpired by grass or alfalfa if supplied by irrigation. The ETo values do not represent the actual transpiration from any specific crop or native vegetation. To calculate the ET rate for a specific crop or vegetation type, the ETo is multiplied by a crop coefficient that adjusts the water consumption for that crop relative to the water consumption for alfalfa.

Station 207 has nearly complete annual records of daily data since January 2009. The monthly and annual totals are shown in Table 12. The average annual ETo measured at CIMIS Station 207 between 2009 and 2021 is 70.47 inches per year (5.87 feet per year). In 2021, the annual total ETo was 63.62 inches (5.30 feet) (CIMIS, 2021).

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Table 12. Monthly and Yearly Reference Evapotranspiration (ETo) Totals for CIMIS Station No. 207 – 2009-2021 (inches, except where noted)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual Total
2009	2.41	3.21	8.81	9.84	8.58	9.22	9.51	9.11	7.44	4.36	2.88	1.98	77.35
2010	2.41	3.21	8.81	9.84	8.58	9.22	9.51	9.11	7.44	4.36	2.88	1.98	77.35
2011	2.68	3.35	5.55	7.12	8.77	8.23	7.98	8.47	6.43	4.92	2.72	2.11	68.33
2012	2.82	3.56	5.33	6.77	7.66	9.47	8.77	8.04	7.09	5.04	3.20	2.23	70.01
2013	2.54	3.57	5.75	7.56	8.64	9.02	8.01	7.57	6.46	5.05	3.00	2.27	69.44
2014	2.67	3.66	5.94	7.23	8.66	9.72	9.24	8.38	6.97	4.70	3.14	1.58	71.89
2015	2.17	3.54	5.83	7.23	7.95	8.52	8.76	8.74	6.55	5.16	3.35	2.43	70.23
2016	2.42	4.15	6.35	7.44	8.97	9.79	10.17	8.91	6.51	5.17	3.37	1.99	75.24
2017	2.33	3.28	6.27	8.18	9.14	10.20	9.7	9.43	6.99	5.38	3.16	2.47	76.53
2018	2.75	3.46	5.43	7.66	8.63	9.13	8.65	8.0	6.48	4.20	2.96	1.65	69.00
2019	2.00	2.38	4.68	6.56	6.82	7.61	8.19	7.67	6.10	4.60	2.94	2.21	61.76
2020	2.38	3.66	4.27	5.93	8.19	7.97	8.67	7.80	6.66	4.81	2.96	2.04	65.34
2021[a]	2.29	3.19	4.86	6.59	7.9	8.03	7.97	7.43	6.31	4.11	3.08	1.86	63.62
13-Year Average, inches	2.45	3.40	5.99	7.53	8.35	8.93	8.86	8.36	6.73	4.76	3.05	2.06	70.47
13-Year Average, feet	0.20	0.28	0.50	0.63	0.70	0.74	0.74	0.70	0.56	0.40	0.25	0.17	5.87

Source: CIMIS 2021 – Station No. 207 (https://cimis.water.ca.gov/).

Values reported for 2021 were downloaded from CIMIS daily data and compiled on 2/15/2022.

5.3 Surface Water

The Coyote Creek Watershed, which drains the Santa Rosa Mountains to the north of the Basin, provides most of the recharge to the Basin through infiltration of streamflow into the shallow alluvial sediments. Mountain front recharge that occurs at the interface between surrounding bedrock and unconsolidated sediments is the primary source of recharge along the smaller tributaries that enter the Basin, largely comprising the Borrego Valley-Borrego Sink Wash Watershed. These include Borrego Palm Creek, and washes exiting the San Ysidro Mountains, Pinyon Ridge, Yaqui Ridge, Coyote Mountains, and the Borrego Badlands.

5.3.1 USGS Stream Gages

There are two inactive historical stream gages along Coyote Creek located at the northernmost boundary of the Basin. USGS Station Number 10255800 (Upper–Northern) recorded daily discharge data from 1950-1983; for this period of record, annual average stream flow was about 1,831 afy. USGS Station Number 10255805 (Lower–Southern) recorded daily discharge data from 1983–1993; for this period of record, annual average stream flow was about 1,774 afy (Dudek, 2020b).

There is one drainage entering the Basin that is actively monitored with a USGS stream gage: Station Number 10255810, which is located on Borrego Palm Canyon downstream of the palm oasis (USGS, 2021). This stream gage has a period of record dating back to 1950, with a gap in available data from 2004 through 2014. Daily data are available from 1950 to 2003 and sub-daily data (15 minute) from 2015 to 2020. The data indicate little to no flow over most of the period of record, punctuated by higher flows associated with individual precipitation events. During wet years, prolonged stream flow after individual precipitation events is often recorded, but in most years little to no baseflow is recorded in the summer months. Brief runoff events occur during occasional thunderstorms. Figure 5 shows the daily discharge measured at the Borrego Palm Canyon USGS stream gage for the period of record. In WY 2021, stream flow was present from late mid-January 2021 thorough early May 2021. The total annual stream flow measured at the Borrego Palm Canyon station was about 66 af (USGS, 2022).

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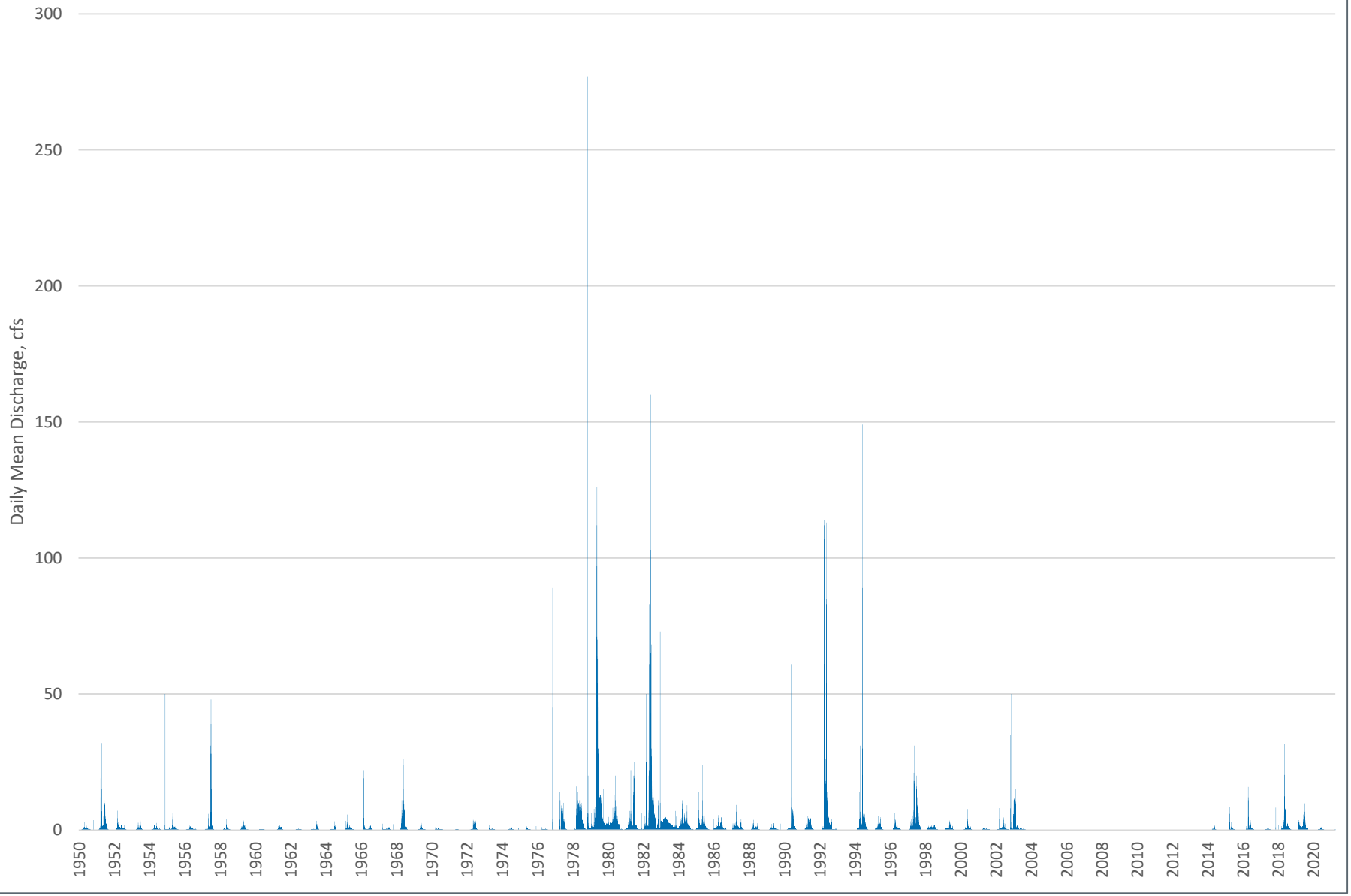
Figure 5. USGS 10255810 Borrego Palm Canyon Stream Flow, 1950 to 2021



5.4 Water Use

5.4.1 Groundwater Pumping

The primary sectors that extract groundwater in the Basin include:

- Agriculture. Agricultural pumping serves a variety of crop types including citrus, palms, date palms, and nurseries.
- Recreational. Recreational pumping is for irrigation of golf courses, including: De Anza Country Club, Rams Hill Country Club, Road Runner Golf and Country Club, and The Springs at Borrego RV Resort and Golf Course.
- Municipal Pumpers. All municipal pumping is by the BWD.
- Other Non-De Minimis Pumpers. Other non-de minimis users are those BPA Parties that do not fall in the Agriculture, Recreational, or Municipal category.
- De Minimis Pumpers. Private groundwater users who extract less than 2 afy are considered de minimis users under SGMA and the Judgment. Well users are generally considered to be de minimis users unless those properties contain irrigated areas in excess of about 0.5 acres, which would result in more than 2 afy of water use. De minimis users in the Basin include:
  - 49 domestic pumpers
  - Three industrial service supply pumpers for use at utility scale solar facilities, a redi-mix plant, a County service yard, and the Republic Services Borrego Landfill.

To support the development of the GMP, groundwater extraction data provided by the various non-de minimis and de minimis users for the period from 2015 through 2019 were compiled and tabulated. Aerial imagery analysis was performed using Geographic Information System (GIS) for all agriculture, golf courses, and other non-de minimis users for which pumping records were not available. Pumping was estimated based on crop-specific water use factors defined in the GMP (Dudek, 2020) and the most current information on the irrigated area and crop type of each pumper based on the aerial imagery analysis. The same procedure was used to estimate groundwater pumping by sector in 2020.

As of WY 2021, most of the pumping by BPA Parties is metered and reported to the Watermaster. Where metered data were not yet available, the methodology from the prior years was applied to estimate pumping. Groundwater pumping for WY 2015 through 2021 are summarized by sector in Table 13. The general locations and magnitude of groundwater pumping by sector are shown in Figure 6.

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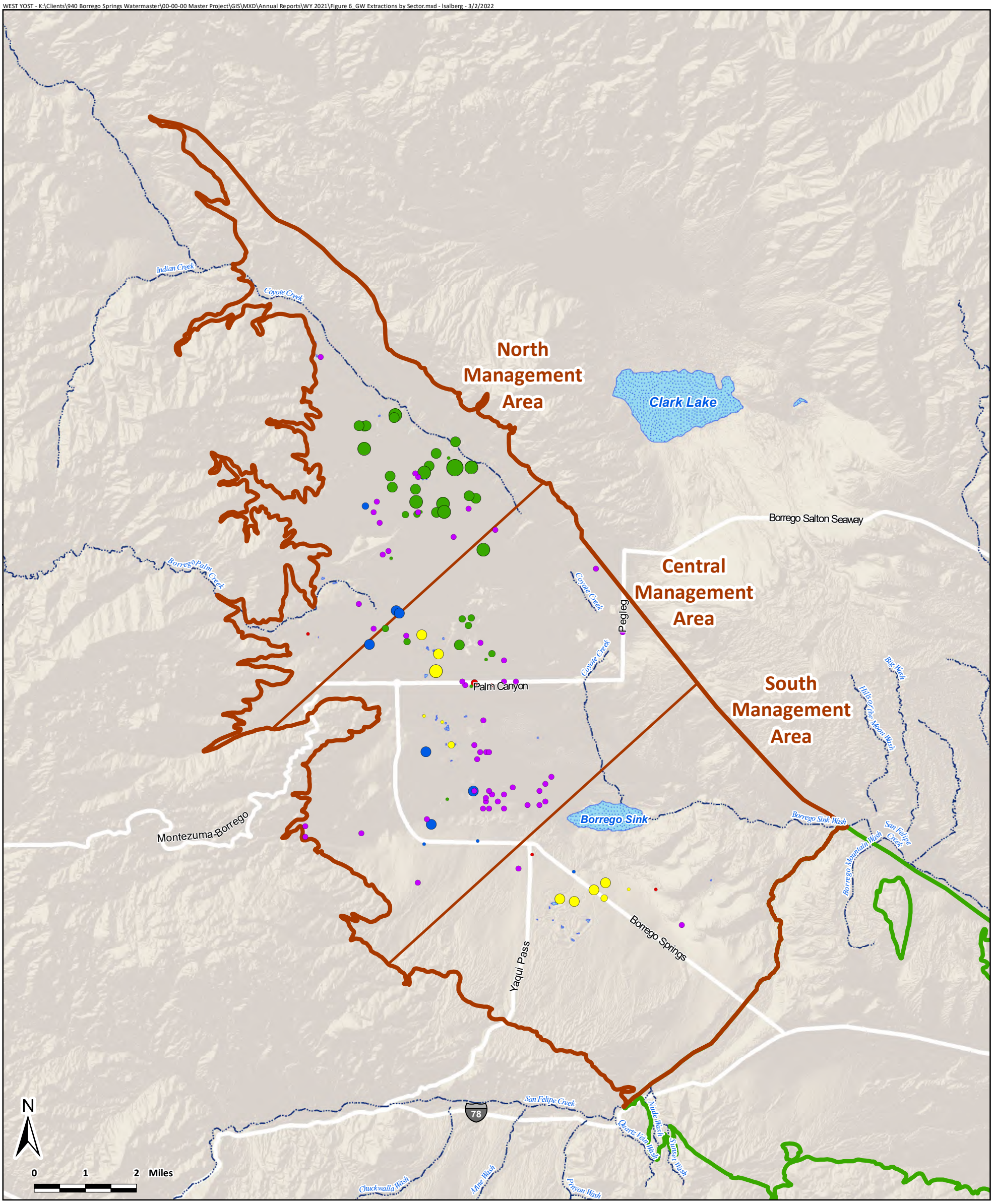

Groundwater Extractions in 2021 by Sector (af)

Extraction Amount Represented by Symbol Size and Sector Represented by Symbol Color

0.5 - 25	Agriculture
25 - 100	Recreation
100 - 500	Municipal
500 - 1,000	Other Non-Deminimis
> 1,000	Deminimis

Borrego Valley Groundwater Basin Subbasins

- Borrego Springs Groundwater Subbasin (7-024.01)
- Ocotillo Wells Groundwater Subbasin (7-024.02)

Surface Water Features

- Stream Channel
- Dry Lake

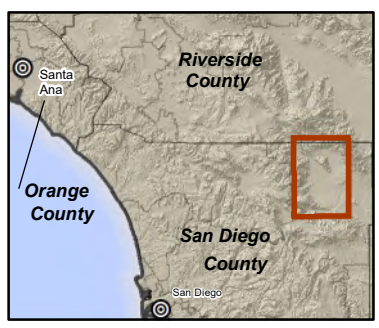

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Figure 6

Groundwater Extractions by Sector (2021)

Borrego Springs Watermaster
Borrego Springs Subbasin
2021 Annual Report

Prepared by:

WEST YOST

Table 13. Groundwater Pumping by Sector - 2015 to 2021

Groundwater User Type	Annual Groundwater Extraction, acre-feet						
	2015[a]	2016[a]	2017[a]	2018[a]	2019[b]	2020[c]	2021[d]
Agricultural	15,093.73	15,007.35	13,668.09	13,006.45	13,025.81	12,771.21	11,282.89
Recreational	3,137.39	3,045.22	3,058.91	2,973.94	2,807.67	2,2445.84	2,317.84
Municipal	1,719.91	1,610.42	1,568.04	1,593.74	1,466.48	1,541.42	1,528.84
Other Non-De Minimis	50.40	49.72	47.93	52.51	52.51	52.51	91.89
De Minimis	26.50	26.50	26.50	26.50	26.50	26.50	26.50
Total Pumping	**20,028**	**19,739**	**18,369**	**17,653**	**17,379**	**16,637**	**15,248**

(a) Source for 2015-2018 estimates: Dudek, 2020b:
- 2015 pumping extrapolated from preceding year aerial imagery for all sites without metered pumping records.
- Water credit sites assumed to have ceased irrigation either on date of issuance of water credits or based on review of mid-2014 aerial imagery.
- A water use factor of 0.5 acre-feet per dwelling unit utilized to calculate de minimis groundwater use.

(b) 2019 pumping updated from the WY 2019 Annual Report (Dudek, 2020b) to be consistent with recent updates made Dudek to support the Court proceedings on the proposed Stipulated Judgment. The 2019 pumping was extrapolated by Dudek from comparisons of 2018 and 2020 aerial imagery for all sites without metered pumping records.

(c) 2020 Sources and Methods:
- Agricultural pumping estimated based on method used for 2015-2018 (Dudek 2020, 2020b) and using reported changes in 2020 aerial imagery that were assessed by Dudek to update the 2019 pumping estimates described for 2019 in note (b) above.
- Municipal: Based on BWD monthly reports to the Board.
- Golf Course: Based on meter reads for Borrego Springs Resort, Circle Club, and Rams Hill. Other pumping by golf courses (De Anza, Road Runner, The Springs) based on estimation method used for 2015-2018 (Dudek 2020, 2020b).
- Other non-de minimis and de minimis pumping estimated based on method used for 2015-2018 (Dudek 2020, 2020b).

(d) 2021 Sources and Methods:
- Pumping metered or estimated for all BPA parties as described in Section XX of this report.
- De minimis pumping estimated based on method used for 2015-2018 (Dudek 2020, 2020b).

As shown in Table 13, the total annual volume of groundwater pumping from the Basin has been decreasing over the last six years. Pumping declined by 24 percent over this period, from about 20,028 af in 2015 to about 15,248 af in 2021. This is a reduction in groundwater pumping of about 4,750 af, or an average of about 791 af per year. It should be noted that the WY 2021 pumping is based primarily on metered data and is not directly comparable to the prior year pumping volumes estimated by water duty methods. That said, the metered data is consistent with the estimated trend of decreasing pumping over the prior five-year period.

5.4.2 Surface Water Use

Currently, there is no surface water supply that is directly used or available for use for artificial or in-lieu recharge in the Basin.

5.4.3 Total Water Use

Given that there is no surface water use in the Basin, total water use is equivalent to the sum of all groundwater pumping shown in Table 13: 15,248 af.

5.5 Groundwater Level Conditions

This section describes the current Basin groundwater level conditions and the change in storage as of WY 2021 pursuant to SGMA regulations that are shown in Table 1 (Article 7, Section 356.2—Annual Reports, of the CCR[22]). The SGMA regulations require the annual report includes the annual changes in groundwater levels and groundwater in storage[23], including:

- The analysis and display of groundwater elevation data from monitoring wells identified in the monitoring network, including:
  - Groundwater elevation contour maps for each principal aquifer in the basin illustrating, at a minimum, the seasonal high and seasonal low groundwater conditions.
  - Hydrographs of groundwater elevations and water year type using historical data to the greatest extent available, including from January 1, 2015, to current reporting year.
- An estimate of the change in groundwater in storage, including:
  - Change in groundwater in storage maps for each principal aquifer in the basin.
  - A graph depicting water year type, groundwater use, the annual change in groundwater in storage, and the cumulative change in groundwater in storage for the basin based on historical data to the greatest extent available, including from January 1, 2015, to the current reporting year.

5.5.1 Groundwater Level Trends

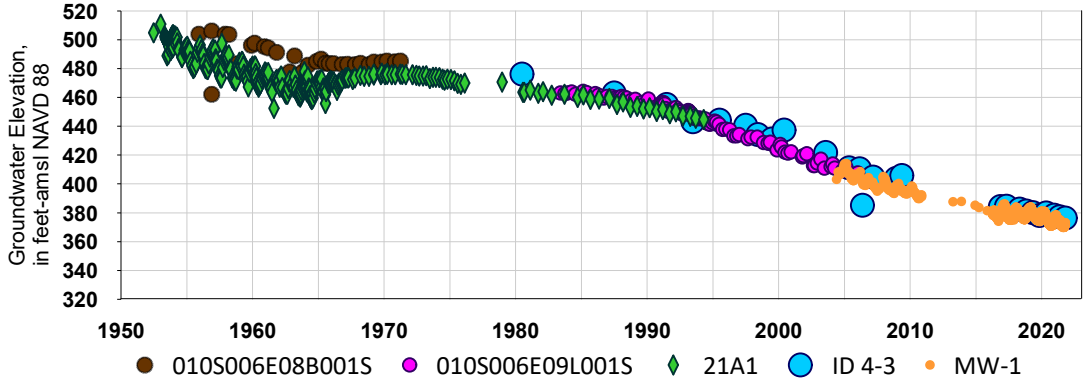
Since the early 1950s, groundwater pumping in the Basin have exceeded recharge causing long-term declines in groundwater levels and changes to the direction of groundwater flow in all areas of the valley. Time history charts of available groundwater-level data for each well in the monitoring network were plotted for the period of record from 1950 through 2021 and are included in Appendix E.

Figure 7 is a time history chart that shows the long-term trend in groundwater levels in selected wells in the North, Central, and South Management Areas of the Basin. The long-term decline in groundwater levels within the Basin is most pronounced in the North Management Area and generally decreases in magnitude towards the South Management Area. One of the key objectives of the groundwater level monitoring program is to track and monitor trends to demonstrate progress toward meeting the sustainability goals, including comparing current conditions to minimum thresholds and measurable objectives for the relevant sustainability indicators for the Basin.

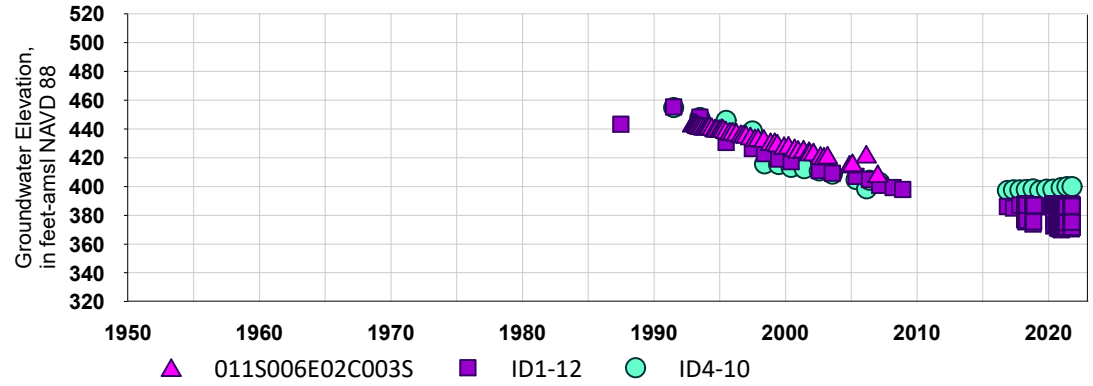
[22] Title 23, Division 2, Chapter 1.5, Subchapter 2 of the California Code of Regulations, which is commonly referred to as the Groundwater Sustainability Plan Regulations (GSP Regulations).

[23] California Code of Regulations, Title 23 § 356.2.

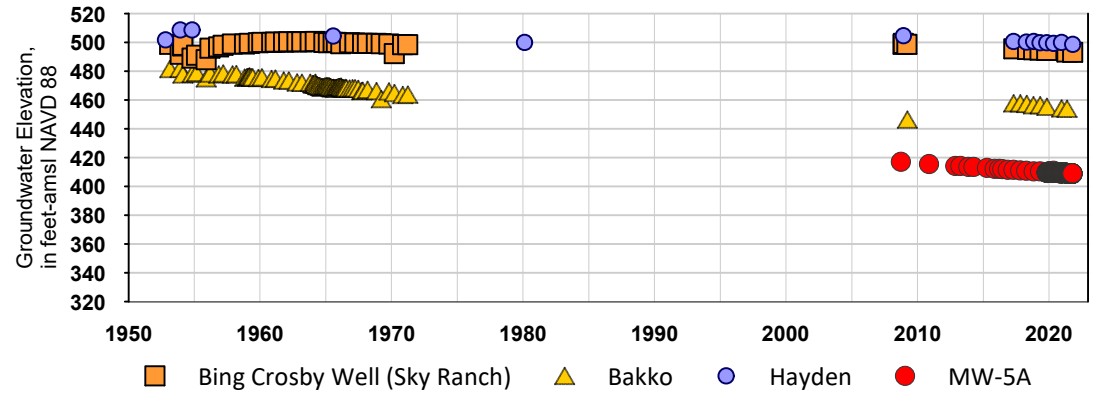
North Management Area



Central Management Area



South Management Area



Agenda Item IV.A

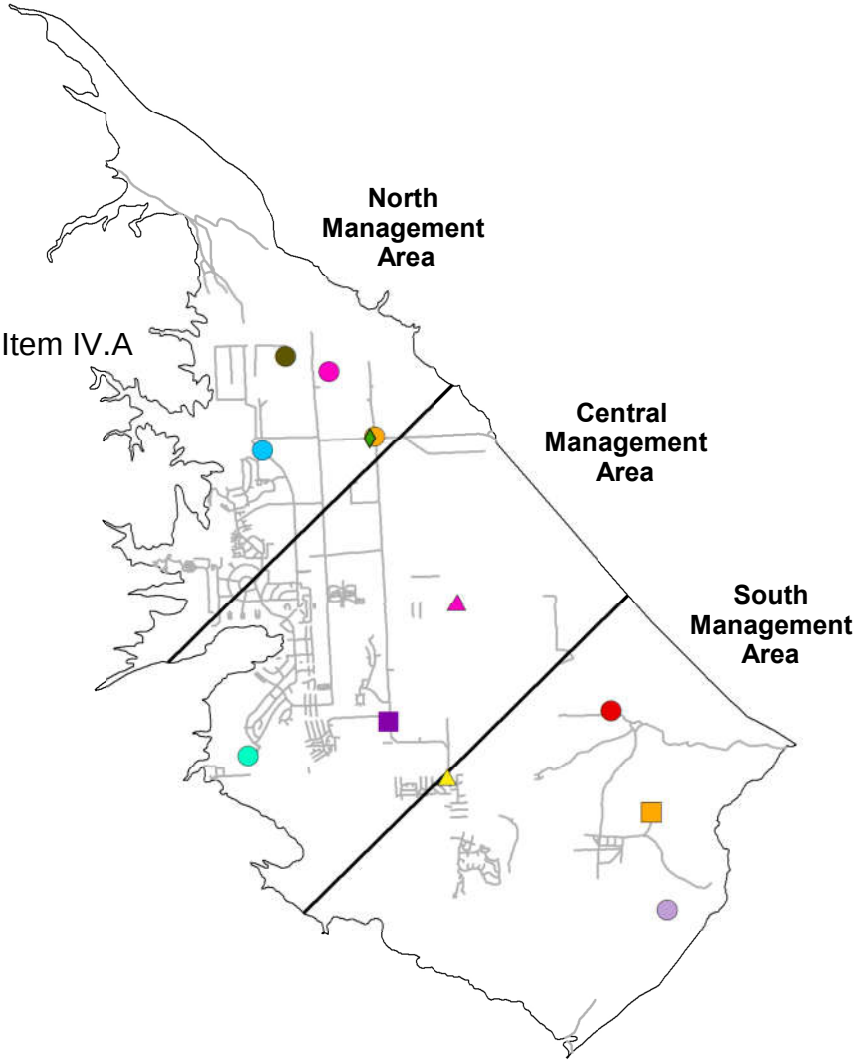


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Figure 7

Groundwater Levels in Selected Wells within the Borrego Groundwater Subbasin

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Water. Engineered

Author: AK
Date: 20220214
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The sustainability goal for groundwater levels is to stabilize or increase levels and ensure groundwater is maintained at adequate levels at key wells. Key groundwater level indicator wells were identified in the GMP to establish minimum thresholds and measurable objectives in each management area of the Basin. The minimum threshold is expressed as the maximum allowable decline in groundwater levels (in feet) following the start of the Physical Solution implementation through 2040. The start of the Physical Solution implementation is fall 2019, which is the beginning of WY 2020. Table 14 shows the historical water level trend, expressed as a rate of decline over time, and the minimum threshold, for each key indicator well. Table 14 also shows the fall 2019 and fall 2021 groundwater levels, expressed as depth to water in feet and the change in elevation from fall 2019 to fall 2021.

Inspection of the time histories shown in Figure 7 and Appendix E and the key wells in Table 14 illustrates that the rate of decline in groundwater levels (e.g., ft/yr of decline) for the Judgment implementation period is less than the historical rate of decline at most wells.

5.5.2 Water Year 2021 Groundwater Elevations

To estimate seasonal high and low groundwater elevations in the Basin for WY 2021, wells with reliable groundwater-elevation measurements in spring and fall 2021 were mapped. Wells with reliable groundwater-elevation measurements were those with a true static groundwater elevation and those screened across the shallower, unconfined portions of the aquifer system. If a true static groundwater elevation was not available for both spring and/or fall, an estimate of static groundwater elevation was made using recent trends in groundwater elevation at the well and nearby wells and knowledge of the influence of nearby pumping. Raster surfaces of groundwater elevation across the Basin for spring and fall 2021 were then generated in ArcGIS 10.7.1 using an inverse distance weighting scheme with a power of 1. Groundwater-elevation contours were generated based on the raster surfaces. Figures 8 and 9 show the wells with groundwater-elevation data and the groundwater-elevation contours for spring and fall 2021, respectively.

5.5.3 Change in Storage

This section describes the estimated change in groundwater storage that occurred in the Basin during the reporting period spring 2020 to spring 2021 and compares this estimate of change in storage to the history of estimated storage changes and groundwater pumping since WY 2016.

It was imperative that the same monitoring well network was used for both spring and fall 2021.

To date, the Watermaster has submitted two Annual Reports to the DWR: the first one prepared by DUDEK in 2020 covering Water Year (WY) 2016 through 2019; the second one prepared by West Yost for WY 2020. In 2021, the Watermaster convened the TAC to evaluate and select an appropriate methodology to be used consistently for estimating annual storage changes. The Watermaster recognized the importance of employing a methodology that would produce future results that are consistent with past results, that would minimize the influence of the method itself on the storage change results, and that would include QA/QC steps to check on the reasonableness of the results. The Watermaster asked the TAC to develop and document this methodology.

Table 14. Historical Water Level Trends and Minimum Thresholds for Key Indicator Wells Compared to Fall 2021 Groundwater Levels

Local Well Name	State Well ID	Historical Groundwater Level Trend [a], ft-yr	Minimum Threshold - Maximum Allowable Decline from 2020 to 2040[b], ft	Start of Physical Solution Implementation Period: Fall 2019 Depth to Water[c], ft below monitoring point	Fall 2020 Depth to Water[c], ft below monitoring point	Fall 2021 Depth to Water[c], ft below monitoring point	1-Year Change in Groundwater Level, ft	Total Change in Groundwater Level, ft, since Fall 2019	Total Rate of Change over implementation period (2019-2021), ft-yr)
North Management Area									
MW-1	010S006E21A002S	-2.14	-39	261.6	260.9	263.6	-2.7	-2.0	-1.0
ID4-3	010S006E18R001S	-2.09	-42	289.2	289.0	291.0	-2.0	-1.8	-0.9
Fortiner[d]	010S006E09N001S	-2.48	-46	*336.1*	337.3	na	na	na	na
ID4-18	010S006E18J001S	-2.31	-44	316.6	327	320.5	6.5	-3.9	-2.0
Central Management Area									
ID4-1	010S006E32R001S	-1.39	-33	*181.1*	181.5	182.0	-0.5	-0.9	-0.5
Airport 2	010S006E35N001S	-1.67	-25	111.9	*111.2*	113.5	-2.3	-1.6	-0.8
ID1-16	011S006E16N001S	-0.95	-33	*231.7*	232	234.0	-2.0	-2.3	-1.2
South Management Area									
MW-5A	011S007E07R001S	-0.74	-14	56.2	57.0	57.0	0.0	-0.8	-0.4
MW-5B	011S007E07R002S	-0.74	-14	56	56.8	57.3	-0.5	-1.3	-0.6
MW-3	011S006E23J002S	-5.84	-12	71.7	75.5	75.7	-0.2	-4.0	-2.0
Air Ranch	011S007E30L001S	-0.5	-9	91.8	90.4	92.9	-2.5	-1.1	-0.6
RH-1	011S006E25A001S	-0.94	-9	59	58.8	60.5	-1.7	-1.5	-0.7

na = not applicable

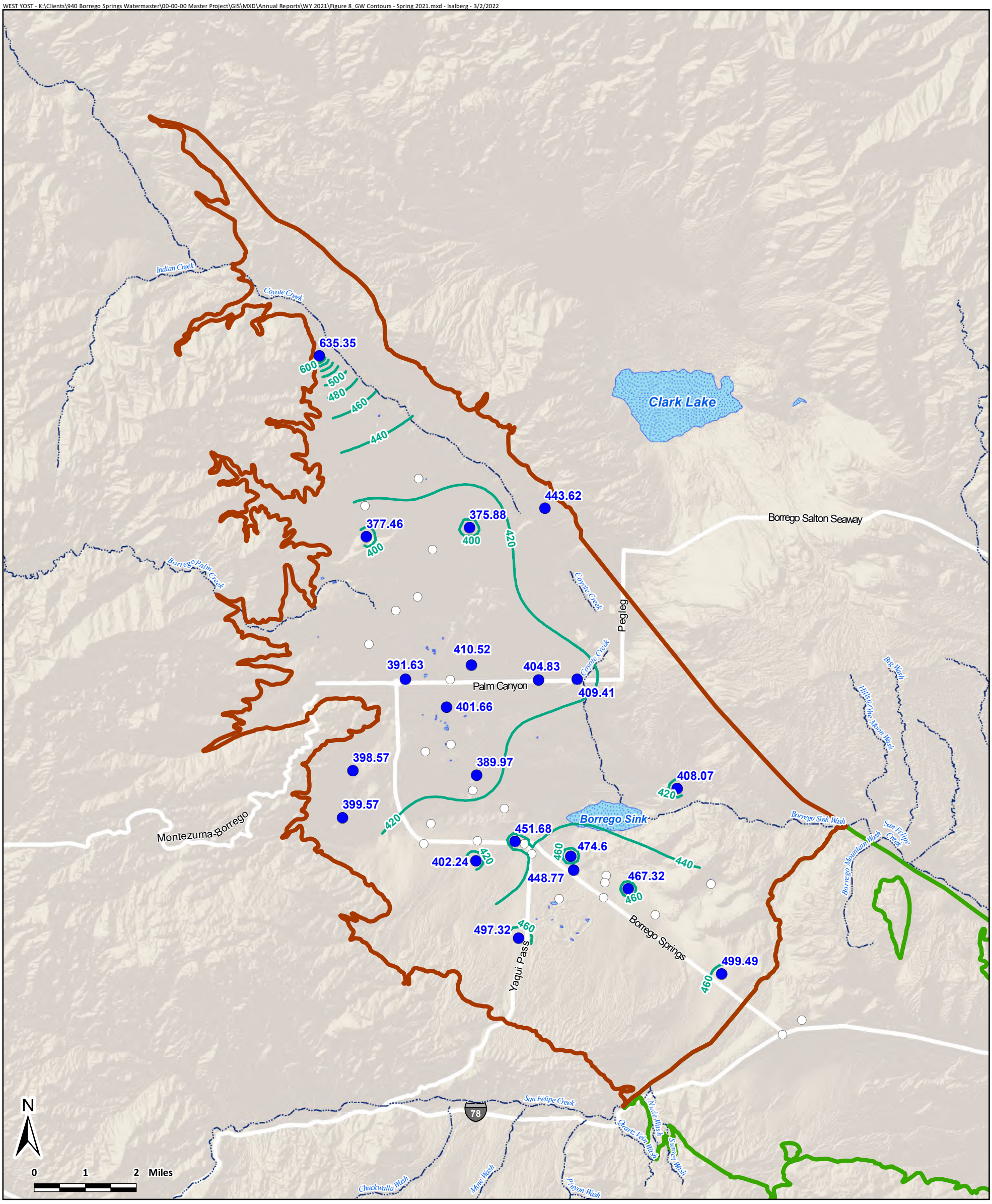
(a) Historical groundwater level trend based on pre-fall 2018 groundwater levels as reported in the GMP (Dudek, 2020).

(b) The Minimum Threshold is the maximum allowable decline in groundwater levels as measured at the beginning of Physical Solution Implementation through 2040.

(c) If a Fall water level was not measured, reported measurement value nearest to this date. Values from alternative dates are shown in italics.

(d) The Fortiner well is privately owned and the owner is no longer providing access to monitor the well. The Watermaster is working with DWR, the TAC, and BPA Parties to improve the monitoring network in the North Management Area.

WEST YOST - K:\Clients\940 Borrego Springs Watermaster\00-00-00 Master Project\GIS\MXD\Annual Reports\WY 2021\Figure 8_GW Contours - Spring 2021.mxd - lsalberg - 3/2/2022



350 Groundwater Monitoring Wells Used to Develop Groundwater Elevation Contours for Spring 2021 (ft-amsl)

Other Groundwater Monitoring Wells

Groundwater Elevation Contours
Spring 2021 (ft-amsl)

Borrego Valley Groundwater Basin Subbasins

Borrego Springs Groundwater Subbasin (7-024.01)

Ocotillo Wells Groundwater Subbasin (7-024.02)

Surface Water Features

Stream Channel

Dry Lake

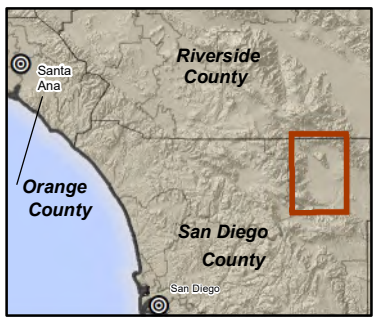


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Figure 8

Spring 2021
Groundwater Elevation

Borrego Springs Watermaster
Borrego Springs Subbasin
2021 Annual Report

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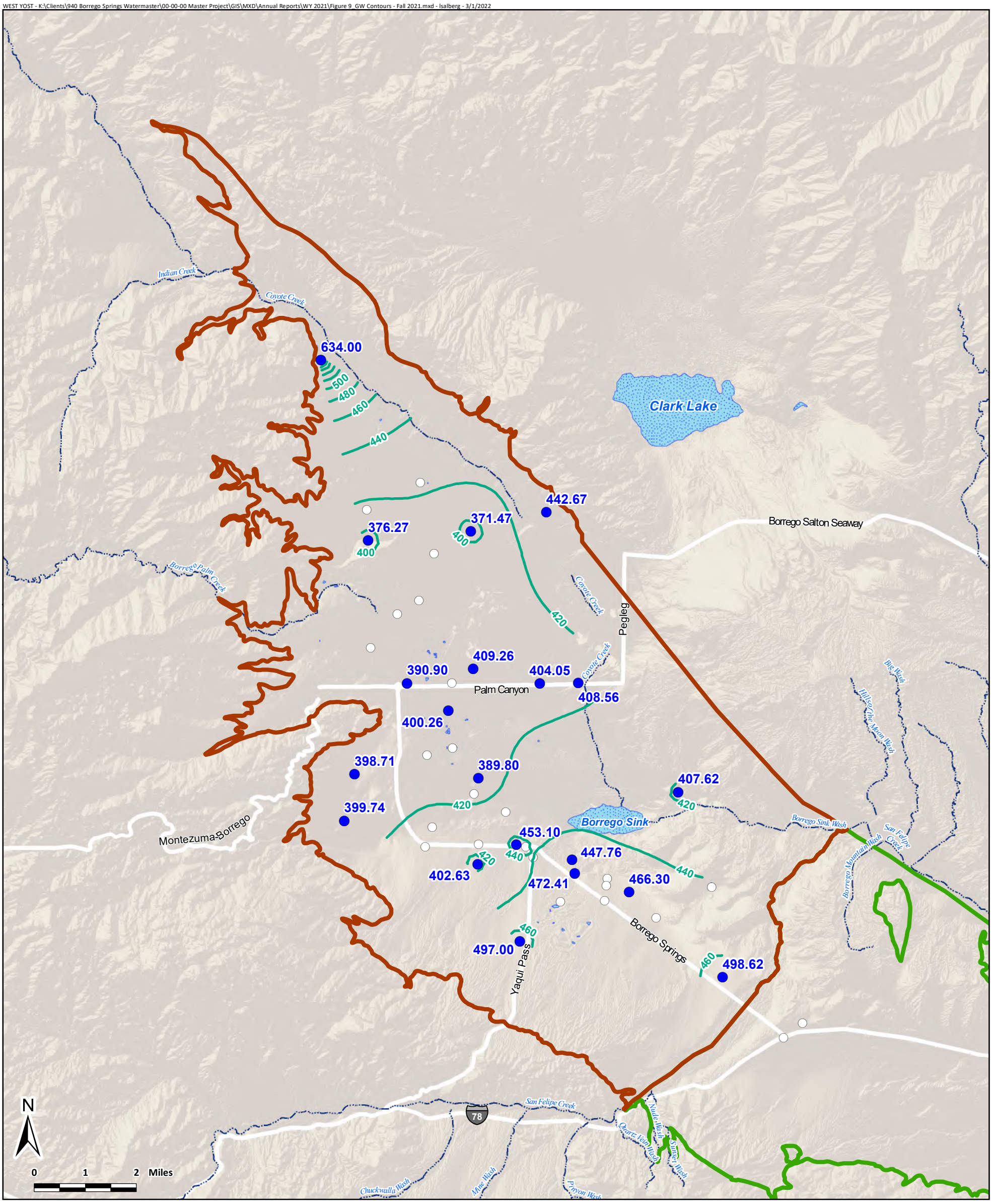
WEST YOST - K:\Clients\940 Borrego Springs Watermaster\00-00-00 Master Project\GIS\MXD\Annual Reports\WY 2021\Figure 9_GW Contours - Fall 2021.mxd - lsalberg - 3/1/2022



350 Groundwater Monitoring Wells Used to Develop Groundwater Elevation Contours for Fall 2021 (ft-amsl)

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Groundwater Elevation Contours
Fall 2021 (ft-amsl)

Borrego Valley Groundwater Basin Subbasins

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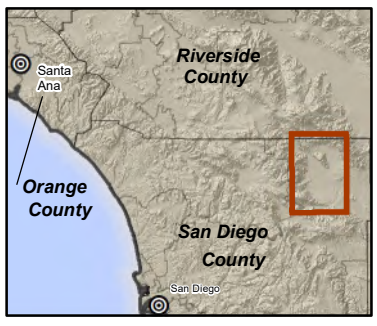

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Figure 9

Fall 2021
Groundwater Elevation

Borrego Springs Watermaster
Borrego Springs Subbasin
2021 Annual Report

Prepared by:

WEST YOST

5.5.3.1 Methodology

The change in volume of groundwater stored in the Basin's alluvial sediments is not a parameter that can be directly measured; rather, change in storage must be estimated using aquifer properties and groundwater-elevation data collected at wells. Generally described, the change in groundwater elevations across the Basin between spring 2020 and spring 2021 is calculated by subtracting the groundwater elevation in spring 2021 from the groundwater elevation in spring 2020. The information required to estimate the change in storage for the Basin for the current WY includes:

- A groundwater elevation map for spring 2020.
- A groundwater elevation map for spring 2021.
- A uniform storage change grid of 1,000 ft by 1,000 ft cells superimposed over the Basin area to assign groundwater elevations and aquifer properties.
- The specific yield of the aquifer sediments where the change in groundwater elevations occurred. Specific yield is a ratio of the volumetric fraction that a bulk aquifer volume will yield when the water drains out by gravity.

Figure 10 and Figure 8 show the groundwater elevation contours for spring 2020 and spring 2021, respectively. These estimates of groundwater elevation across the Basin for spring 2020 and spring 2021 were generated using the process described in Section 5.5.2.

Figure 11 shows the storage change grid and the grid cells included in the change in storage calculation superimposed over the Basin. The grid domain is oriented in the north-south direction across the entire Basin and includes 103 rows and 72 columns with a total of 7,416 cells of 1,000 ft by 1,000 ft dimension. To assign aquifer properties to each grid cell, the storage grid was superimposed over the Borrego Valley Hydrologic Model (BVHM) grid. The BVHM grid is subdivided vertically into three layers, corresponding to the upper, middle, and lower aquifers. Each layer within a BVHM grid cell has specific yield values unique to each layer based on textual analysis of the lithologic logs by the USGS. The estimated average specific yield of the upper aquifer is 15 percent, the middle aquifer is 17.5 percent, and the lower aquifer is 3 percent (USGS, 2015). Because the entire Basin behaves in a predominantly unconfined to semi-confined manner, the specific yield values for each BVHM grid cell were averaged across the three aquifers to create one value of average specific yield per grid cell. Then, a one-to-one spatial join using a closest match option was performed to join the BVHM averaged specific yield values to the 1,000 ft by 1,000 ft storage change grid shown in Figure 11. Grid cells outside of the active BVHM model domain were assigned a specific yield value of zero; hence, these cells are not used in the estimation of storage change.

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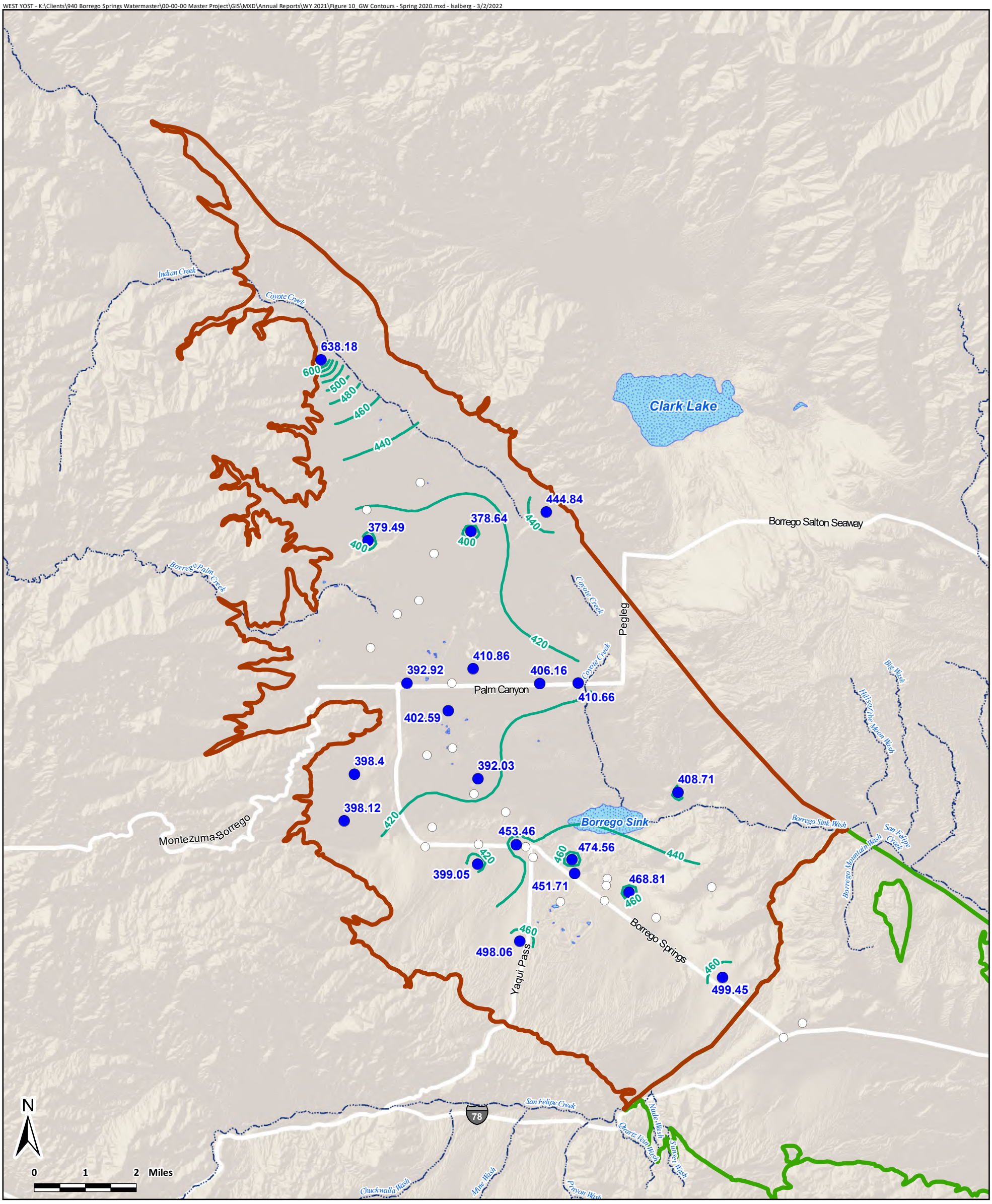
WEST YOST - K:\Clients\940 Borrego Springs Watermaster\00-00-00 Master Project\GIS\MXD\Annual Reports\WY 2021\Figure 10_GW Contours - Spring 2020.mxd - lsalberg - 3/2/2022



350 Groundwater Monitoring Wells Used to Develop Groundwater Elevation Contours for Spring 2020 (ft-amsl)

Other Groundwater Monitoring Wells

Groundwater Elevation Contours
400 *Spring 2020 (ft-amsl)*

Borrego Valley Groundwater Basin Subbasins

Borrego Springs Groundwater Subbasin (7-024.01)

Ocotillo Wells Groundwater Subbasin (7-024.02)

Surface Water Features

Stream Channel

Dry Lake

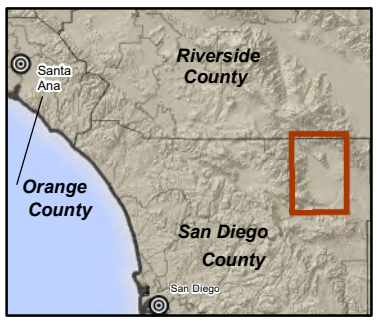


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Figure 10

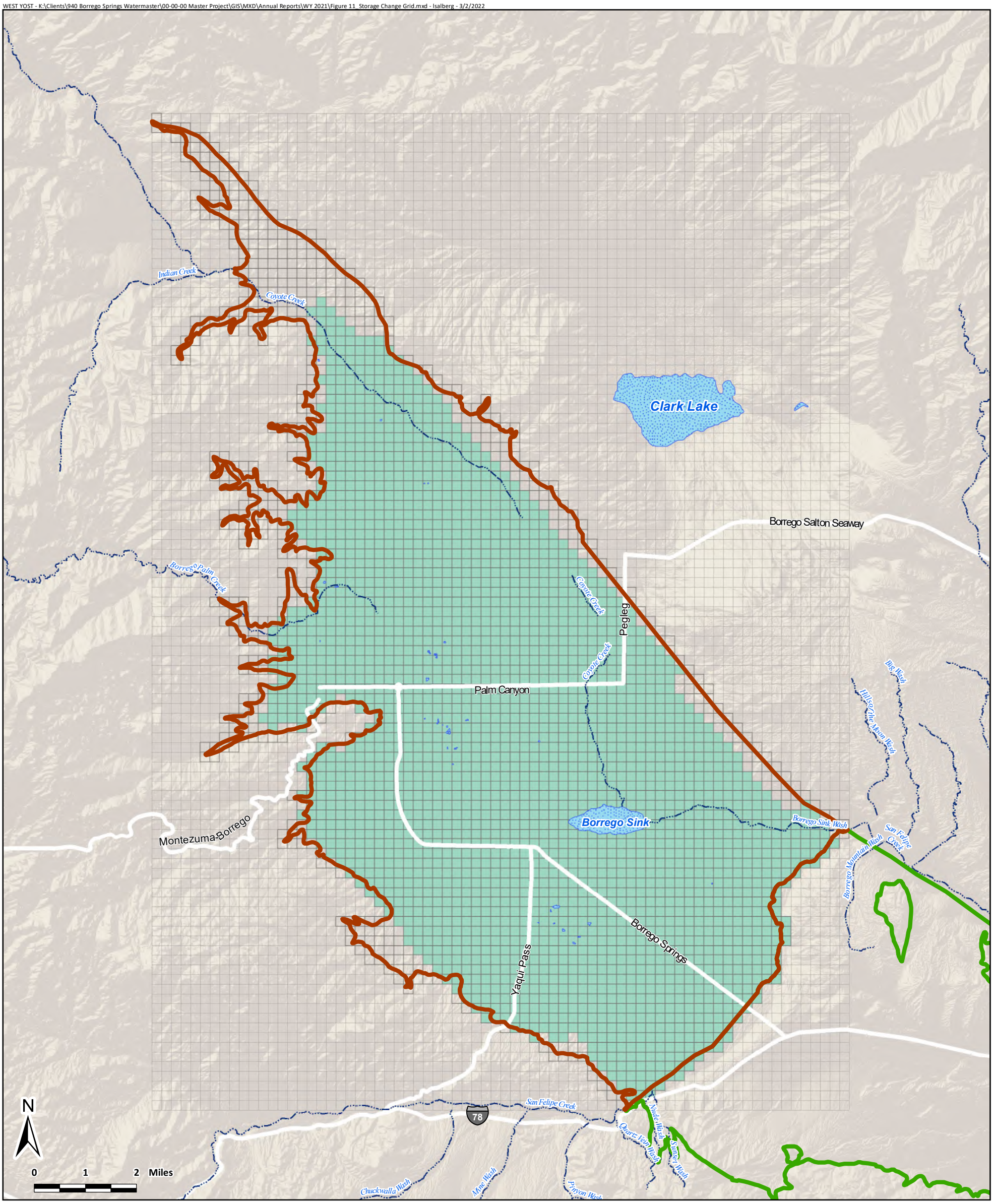
Spring 2020
Groundwater Elevation

Borrego Springs Watermaster
Borrego Springs Subbasin
2021 Annual Report

Prepared by:

WEST YOST

WEST YOST - K:\Clients\940 Borrego Springs Watermaster\00-00-00 Master Project\GIS\MXD\Annual Reports\WY 2021\Figure 11_Storage Change Grid.mxd - lsalberg - 3/2/2022



Storage Change Grid
(1000 ft x 1000 ft cell)

Grid Cells Used to Compute Storage Change

Borrego Valley Groundwater Basin Subbasins

Borrego Springs Groundwater Subbasin (7-024.01)

Ocotillo Wells Groundwater Subbasin (7-024.02)

Surface Water Features

Stream Channel

Dry Lake

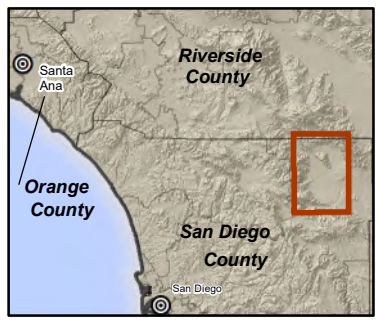


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Figure 11

Storage Change Grid and Area Used to Compute Storage Change

Borrego Springs Watermaster
Borrego Springs Subbasin
2021 Annual Report

Prepared by:

WEST YOST

The annual change in storage was calculated at the grid-cell level using the following equation and is visualized in Figure 12:

$$\boldsymbol{Change\ in\ Storage_i = \left(GWE_i^{t1} - GWE_i^{t0}\right) \times S_{y_i} \times A}$$

where, i represents a unique cell within the storage change calculation grid, GWE is the interpolated groundwater elevation at cell i, Sy is the specific yield defined at cell i, A is the area of each cell, and $t1$ and $t0$ are the two years between which storage change is calculated.

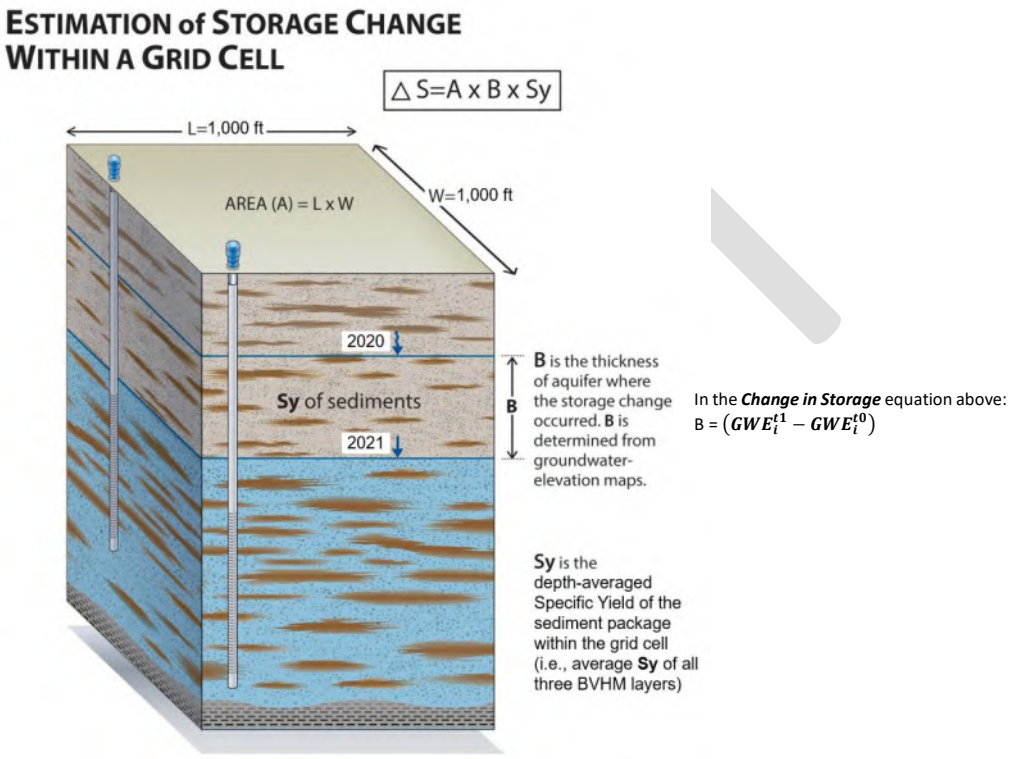


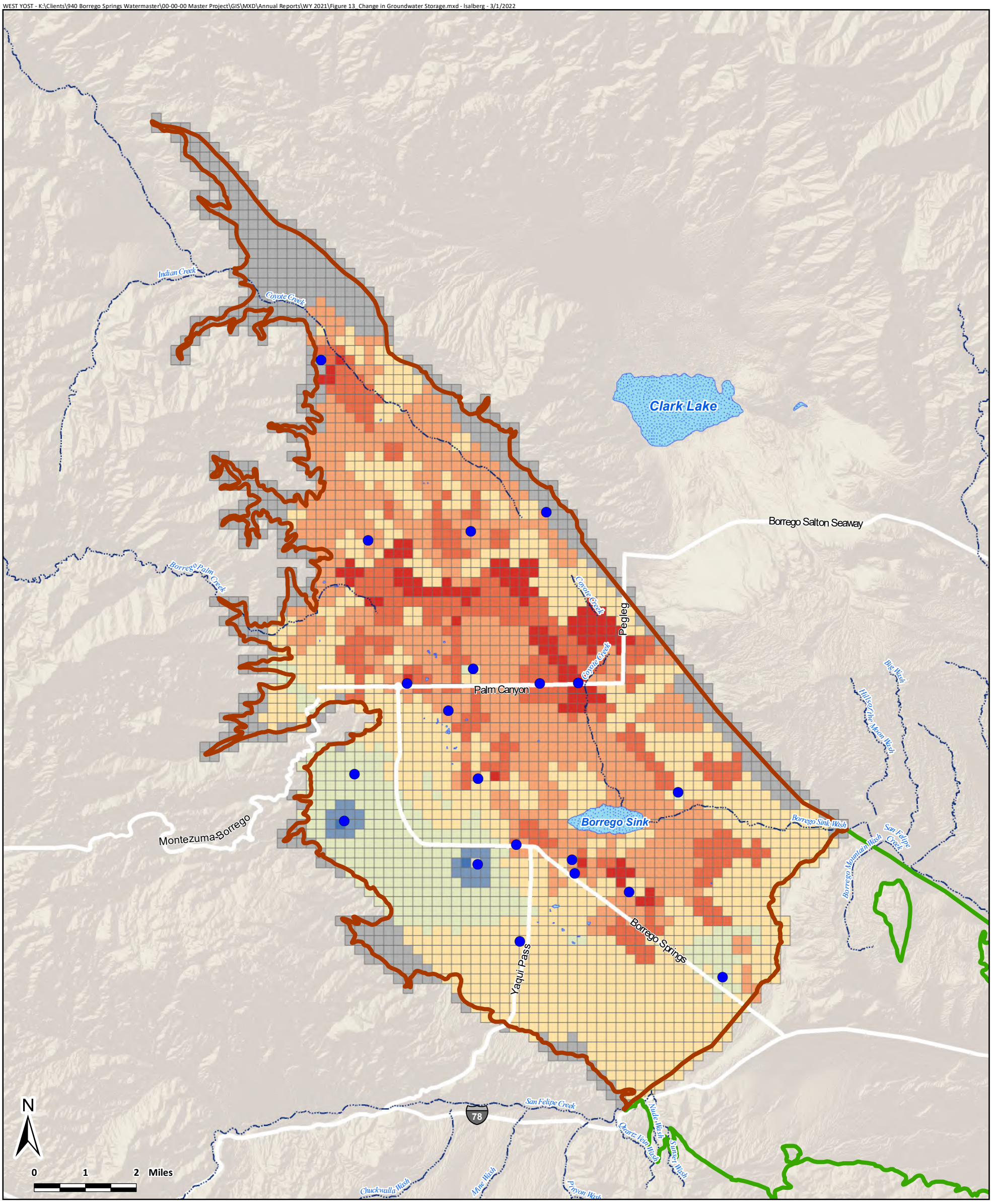
Figure 12. A Conceptual Grid Cell as a Graphical Representation of the Method to Estimate Annual Storage Change Within a Grid Cell

The sum of the change in storage values by grid cell provided an estimate of the total annual change in groundwater storage in the Basin.

5.5.3.2 Annual and Cumulative Change in Storage

Figure 13 is a map that shows the spatial distribution of the change in groundwater storage volume from spring 2020 to spring 2021. Also shown on Figure 13 are the wells with representative groundwater elevation data in both spring 2020 and spring 2021 that were used to generate the change in storage. The total change in storage from spring 2020 and spring 2021 was approximately 5,040 af. This change in storage is consistent with the observation in Section 5.5.1 that groundwater levels across most of the Basin continued to decline through 2021.

WEST YOST - K:\Clients\940 Borrego Springs Watermaster\00-00-00 Master Project\GIS\MXD\Annual Reports\WY 2021\Figure 13_Change in Groundwater Storage.mxd - lsalberg - 3/1/2022



- Groundwater Monitoring Wells with Measured Groundwater Elevation in Spring 2020 and Spring 2021

Groundwater Storage Change

Spring 2020 to Spring 2021 (af)

- > - 4
- -4 to -3
- -3 to -2
- -2 to -1
- -1 to 0
- 0
- 0 to 1
- 1 to 2

Borrego Valley Groundwater Basin Subbasins

- Borrego Springs Groundwater Subbasin (7-024.01)
- Ocotillo Wells Groundwater Subbasin (7-024.02)

Surface Water Features

- Stream Channel
- Dry Lake

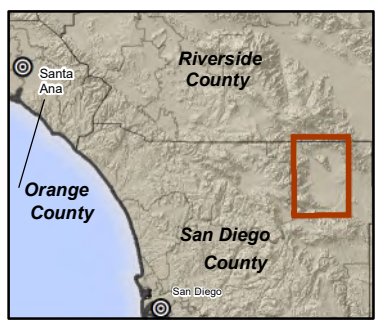


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Figure 13

Change in Groundwater Storage
Spring 2020 to Spring 2021

Borrego Springs Watermaster
Borrego Springs Subbasin
2021 Annual Report

Prepared by:

WEST YOST

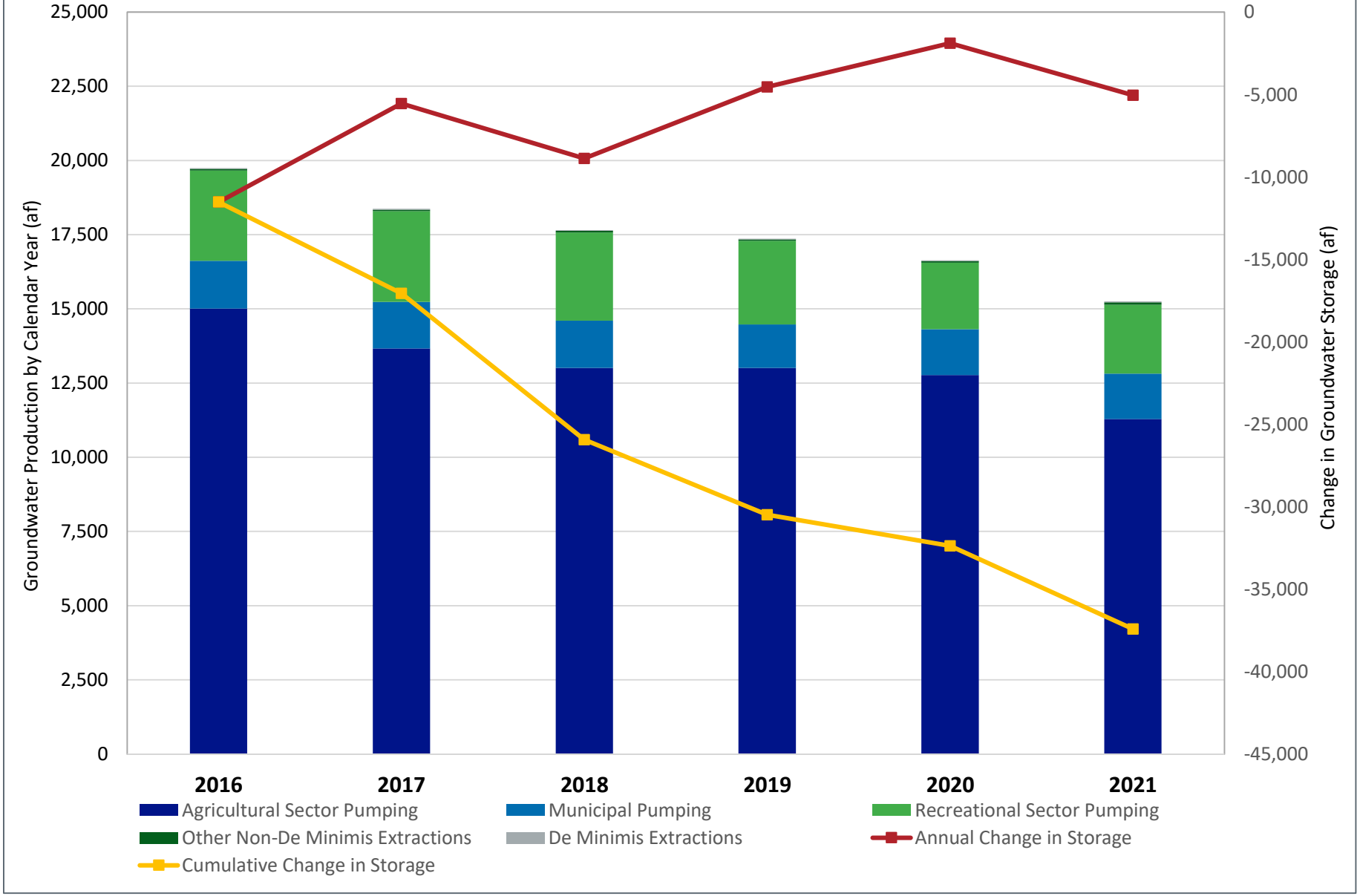
Table 15 summarizes the annual change in storage, the cumulative change in storage, and annual groundwater pumping for WY 2016 through WY 2021. Over this six-year period, the volume of groundwater in storage decreased by approximately 37,815 af. Figure 14 is a time-series chart that compares the annual and cumulative change in storage with annual groundwater pumping from WY 2016 through 2021. The rate of storage change has been relatively constant over the six-year record, despite a decline in production. This may be due to the effects of the long-term drought being experienced in the southwestern United States as displayed in the precipitation record on Figure 4.

Table 15. Annual and Cumulative Change in Groundwater Storage and Annual Groundwater Extractions, af

Water Year	Annual Change in Storage	Cumulative Change in Storage	Annual Groundwater Extractions
2016	-11,517	-11,517	19,739
2017	-5,544	-17,061	18,369
2018	-8,876	-25,937	17,653
2019	-4,545	-30,482	17,379
2020	-2,293[24]	-32,775	16,637
2021	-5,040	-37,815	15,248

[24] The revised methodology described herein was used to re-compute the change in groundwater storage for spring 2019 to spring 2020, which changed the estimate reported in the 2020 Annual Report from a decline in storage of 1,890 af to a decline in storage of 2,293 af.

Figure 14. Annual Groundwater Pumping and Change in Groundwater Storage – 2016 to 2021



6.0 SUMMARY OF PHYSICAL SOLUTION IMPLEMENTATION PROGRESS

As described in Section 1, the entry of the Judgment prescribing a Physical Solution for the Basin represents a key milestone in achieving groundwater sustainability within the Basin by 2040 and the Watermaster has made substantial progress in the initial steps of implementation. The Watermaster was formed in March 2020 and held 25 Regular or Special meetings of the Board during the reporting period to advance the implementation of the Judgment.

The following are some of the key milestones accomplished since the formation of the Watermaster:

- Approved the 1st Annual Report of the Borrego Springs Groundwater Subbasin (WY 2019) for submittal to the DWR (March 2020)
- Hired administrative and technical staff to support the implementation of the Judgment (April through August 2020)
- Established and Implemented a groundwater metering program, including:
  - Publishing a list of approved meters (March 2020)
  - Approved protocols for meter verification and accuracy testing (August 2020)
  - Approved meter reading protocols for documenting manual meter reads (September 2020)
  - Conducted an initial WY 2020 meter read at 53 of 54 Settling Party wells (September 2020)
  - Collected and cataloged meter verification and accuracy information for all Settling Party wells (September to October 2020)
  - Adopted additional meter reading protocols for the frequency of meter read data collection and QA/QC of telemetry meter reads (November 2020)
  - Collected and reviewed monthly meter reads
  - Collected and cataloged meter verification and accuracy information for non-Settling Party wells (May to October 2021)
- Convened a Technical Advisory Committee to support the development and implementation of the technical scope of work included in the Judgment (September to October 2020)
- Established a bank account and issued pumping assessments to fund the implementation of the Judgment (October to November 2020)
- Established a website (November 2020)
- Performed semi-annual surface and groundwater monitoring events (December 2020 and April 2021)
- Convened an Environmental Working Group to address specific environmental issues related to groundwater management in the Basin (December 2020 to February 2021)
- Approved the 2nd Annual Report of the Borrego Springs Groundwater Subbasin (WY 2020) for submittal to the DWR (March 2021)
- Submitted the GSP Alternative Elements Guide to DWR following entry of the Judgment by the Court (June 2021)

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- The TAC recommended the technical scope of work and budget for WYs 2022 and 2023 for activities related to the recalculation of Sustainable Yield and development of a water quality monitoring plan (June 2021)
- Established the first WY 2022 Operating Budget in accordance with the Judgment (July 2021)
- Completed water rights accounting for the first full WY of operations (November 2021)

Additional information about all of the activities of the Watermaster can be found on its website at borregospringswatermaster.com.

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7.0 REFERENCES

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Appendix A

Watermaster Board Motions – Start-Up Period and Water Year 2021

A1. Borrego Springs Watermaster Water Year 2020 Board Actions

Appendix A-1. Borrego Springs Watermaster Water Year 2020 Board Actions

Meeting Date & Motion Number	Action	Motion Vote Count: approved-opposed-abstained
March 31, 2020		
Agenda Item II.A.	Adopting Resolution No. 20-01 Ratifying Submission of DWR Annual Report, subject to the changes made by the Board today.	Moved by Seley
		Seconded by Duncan
		Motion carried 4-0-0
Agenda Item II.C.	Smith/Jorgensen approving RFP for legal counsel with amendment to Section 6 to insert due date of Apr. 30, delete interview process and hiring date, and instructing BWD to circulate RFP.	Moved by Smith
		Seconded by Jorgensen
		Motion carried 4-0-0
Agenda Item II.F.	Directing staff to maintain roster of TAC members and submit their qualifications to the WMB	Moved by Duncan
		Seconded by Smith
		Motion carried 4-0-0
Agenda Item II.G.	Directing staff to maintain roster of TAC members and submit their qualifications to WMB	Moved by Smith
		Seconded by Seley
		Motion carried 4-0-0
Agenda Item II.H.	Requesting BWD undertake WM office responsibilities for 90 days	Moved by Smith
		Seconded by Seley
		Motion carried 4-0-0
April 16, 2020		
Agenda Item II.A.	Smith/Duncan instructing Mr. Pool and 3 attorneys to make changes to the RFQ discussed, post it on BWD website, and circulate it to prospective applicants as recommended by the technical advisors. Roll call vote was unanimous	Moved by Smith
		Seconded by Duncan
		Motion carried 4-0-0
May 14, 2020		
Agenda Item II.C.	Smith/Jorgensen approving Addendum #1 to Executive Director/Technical Consultant RFQ re: Driver's License. Roll call vote was unanimous.	Moved by Smith
		Seconded by Jorgensen
		Motion carried 4-0-0
May 28, 2020		
Agenda Item I.f.	Approval of minutes for April 16, 2020, as amended	Moved by Smith
		Seconded by Seley
		Motion carried 4-0-0

Appendix A-1. Borrego Springs Watermaster Water Year 2020 Board Actions		
Meeting Date & Motion Number	Action	Motion Vote Count: approved-opposed-abstained
June 25, 2020		
Agenda Item I.D	Approval of minutes for May 14, 2020 special meeting, as amended	Moved by Duncan
		Seconded Jorgensen
		Motion carried 4-0-1 (Bennett abstained from vote)
Agenda Item I.D	Approval of minutes for May 28, 2020 special meeting	Moved Smith
		Seconded Duncan
		Motion carried 4-0-1 (Bennett abstained from vote)
Agenda Item IV.A.	Agreement with Richards Watson Gershon to serve as Watermaster Legal Counsel	Moved by Smith
		Seconded by Duncan
		Motion carried 4-0-1 (Bennett abstained from vote)
July 16, 2020		
Agenda Item III.C.	Confirmation of Water Credit Properties Fallowing Status and Related Issues	Moved by Smith
		Seconded by Jorgensen
		Motion carried 4-0-1 (Duncan abstained from vote)
July 30, 2020		
Agenda Item III.B	Meter reading and related issues	Moved by Smith
		Seconded by Deichler
		Motion carried 5-0-0
August 13, 2020		
Agenda Item III.A.	Draft agreement, subject to discussion/negotiation, with Wildermuth Environmental, Inc. for an Executive Director/Technical Consultant positions	Moved by Bennett
		Seconded by Deichler
		Motion carried 4-0-0 (Seley absent)
Agenda Item III.C.1.	Meter Reading and Related Issues	Moved by Smith
		Seconded by Deichler
		Motion carried 4-0-0 (Seley absent)
Agenda Item III.C.3	Meter Reading and Related Issues	Moved by Smith
		Seconded by Deichler
		Motion carried 4-0-0 (Seley absent)

Appendix A-1. Borrego Springs Watermaster Water Year 2020 Board Actions

Meeting Date & Motion Number	Action	Motion Vote Count: approved-opposed-abstained
August 27, 2020		
Agenda Item III.A.	Approval of Minutes for Special Meetings on June 11, June 25, July 16 and July 30, 2020.	Moved by Diechler
		Seconded by Bennett
		Motion carried 5-0-0
Agenda Item IV.B.	Schedule of Special Board Meetings through October 1, 2020	Motioned by Smith
		Seconded by Diechler
		Motion carried 5-0-0
Agenda Item IV.C.	Watermaster Administrative Actions	Motioned by Duncan
		Seconded by Smith
		Motion carried 5-0-0
Agenda Item IV.E.	Initial Meter Reads for WY 2021	Motioned by Deichler
		Seconded by Smith
		Motion carried 5-0-0
September 10, 2020		
Agenda Item III.A.	Approval of minutes for special meetings on August 13, 2020, and August 27, 2020.	Motioned by Deichler
		Seconded by Smith
		Motion carried 5-0-0
Agenda Item IV.A.(1)	Election of Chairperson of the Board of Directors	Motioned by Deichler
		Seconded by Smith
		Motion carried 5-0-0
Agenda Item IV.A.(2)	Election of Vice-Chairperson of the Board of Directors	Motioned by Crow
		Seconded by Diechler
		Motion carried 5-0-0
Agenda Item IV.B.	Consideration of Appointment of a Secretary and Treasurer	Motioned by Crow
		Seconded by Diechler
		Motion carried 5-0-0
Agenda Item IV.C.	Adoption of Watermaster Board Meeting Time and Date	Motioned by Smith
		Seconded by Diechler
		Motion carried 5-0-0
Agenda Item IV.E.	Consideration of Approval of Agreement with Borrego Water District to Perform Water Meter Reading Services for Watermaster	Motioned by Smith
		Seconded by Crow
		Motion carried 4-0-1 (Duncan abstained from vote)

Appendix A-1. Borrego Springs Watermaster Water Year 2020 Board Actions		
Meeting Date & Motion Number	Action	Motion Vote Count: approved-opposed-abstained
September 24, 2020		
Agenda Item III.A.	Approval of Minutes for Special Meeting on Sept. 10, 2020	Motioned by Smith
		Seconded by Duncan
		Motion carried 5-0-0
Agenda Item IV.A.	Consideration of Approval of Updated Agreement with Borrego Water District to Perform Water Meter Reading Services for Watermaster	Motioned by Jorgensen
		Seconded by Smith
		Motion carried 4-0-1 (Duncan abstained from vote)

A2. Borrego Springs Watermaster Water Year 2021 Board Actions

Appendix A-2. Borrego Springs Watermaster Water Year 2021 Board Actions		
Meeting Date & Motion Number	Action	Motion Vote Count: approved-opposed-abstained
October 8, 2020		
Agenda Item I.D.	Addition of Resolution 20-8 to item IV.C of the agenda	Motioned by Smith
		Seconded by Duncan
		Motion carried 5-0-0
Agenda Item III.A.	Approval of Minutes for Special Meeting on Sept. 24, 2020	Motioned by Smith
		Seconded by Duncan
		Motion carried 5-0-0
October 19, 2020		
Special Agenda Item E.	Direct Executive Adams to Send a Letter to the Riverside County Board of Supervisors Reflecting the Concerns of the Interim Borrego Springs Watermaster	Motioned by Smith
		Seconded by Jorgensen
		Motion carried 5-0-0
November 12, 2020		
Agenda Item III	Approval of Minutes for Regular Board Meeting on October 8, 2020	Motioned by Bennett
		Seconded by Jorgensen
		Motion carried 5-0-0
Agenda Item IV.A.i	Motion to file TAC Meeting Minutes	Motioned by Smith
		Seconded by Seley
		Motion carried 5-0-0
Agenda Item IV.A.ii	Motion to Accept TAC Recommendations	Motioned by Smith
		Seconded by Seley
		Motion carried by 5-0-0
Agenda Item IV.C.	Amendment of Statement of Work	Motioned by Smith
		Seconded by Seley
		Motion carried 5-0-0

Appendix A-2. Borrego Springs Watermaster Water Year 2021 Board Actions		
Meeting Date & Motion Number	Action	Motion Vote Count: approved-opposed-abstained
December 10, 2020		
Agenda Item III	Approval of Minutes for Regular Board Meeting on November 12, 2020	Motioned by Smith
		Seconded by Bennett
		Motion carried 5-0-0
Agenda Item IV.B.i	Environmental Working Group - Mission Statement	Motioned by Bennett
		Seconded by Seley
		Motion carried 5-0-0
Agenda Item IV.B.ii	Environmental Working Group - Application for EWG membership	Motioned by Smith
		Seconded by Jorgensen
		Motion carried 5-0-0
Agenda Item IV.C	Nov 2020 Monthly Financial Report	Motioned by Seley
		Seconded by Smith
		Motion carried 5-0-0
Agenda Item IV.D	Administrative and Technical Services SOW and Budget for Remainder of WY 2021	Motioned by Bennett
		Seconded by Smith
		Motion carried 5-0-0
January 14, 2021		
Agenda Item III	Consent Calendar	Motioned by Jorgensen
		Seconded by Smith
		Motion carried 5-0-0
Agenda Item IV.A	Consideration of Assignment of the WEI Professional Services Agreement with the Borrego Springs Watermaster to West Yost Associates	Motioned by Bennett
		Seconded by Smith
		Motion carried 5-0-0
Agenda Item IV.B	Environmental Working Group Membership Selection	Motioned by Smith
		Seconded by Seley
		Motion carried 5-0-0
Agenda Item IV.C.i	Fallowing Standards Verification for Conversion of Water Credits to BPA	Motioned by Smith
		Seconded by Bennett
		Motion carried 5-0-0
Agenda Item IV.C.ii	Fallowing Standards Verification for Conversion of Water Credits to BPA	Motioned by Smith
		Seconded by Bennett
		Motion carried 5-0-0

Appendix A-2. Borrego Springs Watermaster Water Year 2021 Board Actions		
Meeting Date & Motion Number	Action	Motion Vote Count: approved-opposed-abstained
February 11, 2021		
Agenda Item III.A.	Consent Calendar: Approval of 1/14 Minutes	Motioned by Smith
		Seconded by Jorgensen
		Motion carried 5-0-0
Agenda Item III.B.	Consent Calendar: Approval of Jan 2021 Financial Report	Motioned by Smith
		Seconded by Bennett
		Motion carried 5-0-0
Agenda Item V.A.	Environmental Working Group	Motioned by Bennett
		Seconded by Seley
		Motion carried 5-0-0
Agenda Item V.B.	Fallowing Standards Verification for Conversion of Water Credits to BPA for Viking 1 Property	Motioned by Smith
		Seconded by Seley
		Motion carried 4-0-1 (Duncan abstained from vote)
Agenda Item V.C.	Reimbursement to Dudek for As-Needed Support	Motioned by Jorgensen
		Seconded by Seley
		Motion carried 5-0-0
Agenda Item V.D	Colorado River Basin Regional Water Board's Recommendation to Require the Development of a Salt and Nutrient Management Plan for the Borrego Springs Subbasin	Motioned by Bennett
		Seconded by Jorgensen
		Motion carried 5-0-0
March 11, 2021		
Agenda Item III.A.	Consent Calendar: Approval of 2/11 meeting minutes, Feb 2021 Financial Report	Motioned by Smith
		Seconded by Bennett
		Motion carried 5-0-0
April 8, 2021		
Agenda Item III.A.	Consent Calendar: Approval of 3/11 Minutes	Motioned by Smith
		Seconded by Jorgensen
		Motion carried 5-0-0
Agenda Item IV.B.	Technical Advisory Committee (TAC) Meeting Agenda	Motioned by Jorgensen
		Seconded by Bennett
		Motion carried 5-0-0

Appendix A-2. Borrego Springs Watermaster Water Year 2021 Board Actions		
Meeting Date & Motion Number	Action	Motion Vote Count: approved-opposed-abstained
May 13, 2021		
Agenda Item III.A.	Consent Calendar: Approval of 4/8 Minutes	Motioned by Smith
		Seconded by Seley
		Motion carried 5-0-0
Agenda Item III.B.	Approval of March 2021 Financial Report	Motioned by Smith
		Seconded by Seley
		Motion carried 5-0-0
Agenda Item III.C.	Approval of April 2021 Financial Report	Motioned by Smith
		Seconded by Seley
		Motion carried 5-0-0
Agenda Item IV.A.	Items for Board Consideration and Possible Action	Motioned by Smith
		Seconded by Jorgensen
		Motion carried 5-0-0
Agenda Item IV.C.	Technical Advisory Committee (TAC) Report	Motioned by Bennett
		Seconded by Jorgensen
		Motion carried 5-0-0
Agenda Item IV.D.	Environmental Work Group Agenda	Motioned by Jorgensen
		Seconded by Seley
		Motion carried 5-0-0
Agenda Item IV.E.	Update of the SGMA GSP Alternative Submission to DWR	Motioned by Smith
		Seconded by Bennett
		Motion carried 5-0-0
Agenda Item IV.F.	Establish Process for Invoicing BPA Parties with Manual-Read Meters	Motioned by Seley
		Seconded by Smith
		Motion carried 5-0-0

Appendix A-2. Borrego Springs Watermaster Water Year 2021 Board Actions		
Meeting Date & Motion Number	Action	Motion Vote Count: approved-opposed-abstained
June 10, 2021		
Agenda Item III.A.	Consent Calendar: Approval of 5/ 13 minutes	Motioned by Bennett
		Seconded by Seley
		Motion carried 5-0-0
Agenda Item III.B.	Approval of May 2021 Financial Report.	Motioned by Bennett
		Seconded by Seley
		Motion carried 5-0-0
Agenda Item IV.A.	Consideration of Approval to Submit the Updated Alternative to a GSP Elements Guide to the CA Department of Water Resources	Motioned by Smith
		Seconded by Seley
		Motion carried 5-0-0
Agenda Item IV.B.	Technical Advisory Committee Report: Recommended Scope of Work and Budget for Water Year (WY) 2022 and WY 2023	Motioned by Smith
		Seconded by Seley
		Motion carried 5-0-0
Agenda Item IV.C.	C.Environmental Working Group Report: Recommended Scope of Work and Budget for Water Year (WY) 2022	Motioned by Deichler
		Seconded by Bennett
		Motion carried 5-0-0
July 8, 2021		
Agenda Item III.A.	Consent Calendar: Approval of 6/ 10 minutes	Motioned by Jorgensen
		Seconded by Crow
		Motion carried 4-0-0 (Duncan absent)
Agenda Item III.B.	Approval of June 2021 Financial Report	Motioned by Jorgensen
		Seconded by Crow
		Motion carried 4-0-0 (Duncan absent)
	Consideration of Approval of the Water Year 2022 Budget and Pumping Assessment.	Motioned by Crow
		Seconded by Jorgensen
		Motion carried 4-0-0 (Duncan absent)
Agenda Item IV.D.	Meter Reading Program: Meter Reading Frequency and Reminder of Annual Requirement for Verification of Meter Accuracy	Motioned by Seley
		Seconded by Jorgensen
		Motion carried 4-0-0 (Duncan absent)

Appendix A-2. Borrego Springs Watermaster Water Year 2021 Board Actions		
Meeting Date & Motion Number	Action	Motion Vote Count: approved-opposed-abstained
August 12, 2021		
Agenda Item III.A.	Consent Calendar	Motioned by Bennett
		Seconded by Seley
		Motion carried 5-0-0
Agenda Item IV.A.	Consideration of directing legal counsel and staff to seek recordable Court orders	Motioned by Smith
		Seconded by Jorgensen
		Motion carried 5-0-0
Agenda Item IV.B.	Resolution of Unpaid Watermaster Assessments	Motioned by Jorgensen
		Seconded by Bennett
		Motion carried 5-0-0
Agenda Item IV.E.	Consideration of Approval of Statement of Work No. 3 for West Yost Services for Water Year 2022	Motioned by Smith
		Seconded by Jorgensen
		Motion carried 5-0-0

Appendix B

Start-up and WY 2020 Financial Audit

Draft Audit is included

_____, 2022

To the Board of Directors
Borrego Springs Watermaster
Borrego Springs, California

We have audited the financial statements of the Borrego Springs Watermaster (the Watermaster) for the period ended September 30, 2021. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated January 6, 2022. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings and Other Issues

Qualitative Aspects of Significant Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Watermaster are described in the notes to the financial statements. No new accounting policies were adopted, and the application of existing policies was not changed during the period. We noted no transactions entered into by the Watermaster during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The financial statement disclosures are neutral, consistent, and clear.

Significant Unusual Transactions

Management is responsible for the policies and practices used to account for significant unusual transactions. No significant unusual transactions have occurred during the period.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. No misstatements were found.

DRAFT

To the Board of Directors
Borrego Springs Watermaster
Borrego Springs, California

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Circumstances that Affect the Form and Content of the Auditor's Report

New auditing standards were implemented in the period related to Statement of Auditing Standards 134, *Auditor Reporting and Amendments, Including Amendments Addressing Disclosures in the Audit of Financial Statements*. These standards updated the form and content of the financial statement auditor's report. The purpose of the change was to present an easier format for users to understand the results of the audit and management's responsibilities.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated _____, 2022.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Watermaster's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues Discussed with Management

We generally discuss a variety of matters, including the significant events or transactions that occurred during the year, business conditions affecting the Watermaster and business plans and strategies that may affect the risks of material misstatements, the application of accounting principles and auditing standards, with management each year prior to retention as the Watermaster's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

The following new Governmental Accounting Standards Board (GASB) pronouncements were effective for fiscal year 2020-2021 audit:

GASB Statement No. 84, *Fiduciary Activities.*

GASB Statement No. 90, *Majority Equity Interests - an Amendment of GASB Statement Nos. 14 and 61.*

DRAFT

To the Board of Directors
Borrego Springs Watermaster
Borrego Springs, California

The following GASB pronouncements are effective in the following fiscal years' audits and should be reviewed for proper implementation by management:

Fiscal year 2022

GASB Statement No. 87, *Leases.*

GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period.*

GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans.*

Fiscal year 2023

GASB Statement No. 91, *Conduit Debt Obligations.*

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangement.*

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements.*

Restriction on Use

This information is intended solely for the use of the Board of Directors and management of the Borrego Springs Watermaster and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Lance, Soll & Lunghard, LLP

Brea, California

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BORREGO SPRINGS WATERMASTER

FOR THE PERIOD ENDED SEPTEMBER 30, 2021 FINANCIAL STATEMENTS

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BORREGO SPRINGS WATERMASTER

FINANCIAL STATEMENTS

For the Period of Inception (March 31, 2020) through September 30, 2021

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BORREGO SPRINGS WATERMASTER

FINANCIAL STATEMENTS
For the Period of Inception (March 31, 2020) through September 30, 2021

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Borrego Springs Watermaster
Borrego Springs, California

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the Borrego Springs Watermaster (the Watermaster) as of and for the period of inception (March 31, 2020) through September 30, 2021, and the related notes to the financial statements, which collectively comprise the Watermaster's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Borrego Springs Watermaster as of September 30, 2021, and the changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Watermaster and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Watermaster's ability to continue as a going concern for twelve months beyond the date of the financial statements.

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To the Board of Directors
Borrego Springs Watermaster
Borrego Springs, California

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Watermaster's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Watermaster's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Reporting Responsibilities

Required Supplementary Information

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

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To the Board of Directors
Borrego Springs Watermaster
Borrego Springs, California

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated _____, 2022 on our consideration of the Watermaster's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Watermaster's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Watermaster's internal control over financial reporting and compliance.

Lance, Soll & Lunghard, LLP

Brea, California
_____, 2022

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BORREGO SPRINGS WATERMASTER

STATEMENT OF NET POSITION
September 30, 2021

ASSETS	
Cash and cash equivalents (Note 2)	$ 706,710
Accounts Receivable	107,940
TOTAL ASSETS	814,650
LIABILITIES	
Accounts payable	76,583
TOTAL LIABILITES	76,583
NET POSITION	
Unrestricted	738,067
TOTAL NET POSITION	$ 738,067

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See accompanying independent auditors' report and accompanying notes to the basic financial statements.

BORREGO SPRINGS WATERMASTER

STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET POSITION
For the Period of Inception (March 31, 2020) through September 30, 2021

OPERATING REVENUES	
Administrative assessments (Note 1)	$ 1,159,489
Reimbursements	119,043
Total operating revenues	1,278,532
OPERATING EXPENSES	
Meter Read Expenses	3,364
Consulting Services	392,222
Legal fees	67,274
Licenses and Permits	247
Office Supplies	78
Reimbursements	76,895
Website Hosting	385
Total operating expenses	540,465
OPERATING INCOME	738,067
CHANGE IN NET POSITION	738,067
NET POSITION AT BEGINNING OF PERIOD	-
TOTAL NET POSITION AT END OF PERIOD	$ 738,067

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See accompanying independent auditors' report and accompanying notes to the basic financial statements.

BORREGO SPRINGS WATERMASTER

STATEMENT OF CASH FLOWS
For the Period of Inception (March 31, 2020) through September 30, 2021

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from parties to the judgment	$ 1,170,592
Cash payments to suppliers for goods and services	(475,350)
Net cash provided by operating activities	695,242
NET INCREASE IN CASH AND CASH EQUIVALENTS	695,242
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	-
CASH AND CASH EQUIVALENTS AT END OF PERIOD	$ 695,242
RECONCILIATION OF OPERATING INCOME TO NET CASH USED FOR OPERATING ACTIVITIES	
OPERATING INCOME	$ 738,067
Adjustment to reconcile operating income to net cash used by operating activities:	
(Increase)/Decrease in accounts receivable	(107,940)
Increase/(Decrease) in accounts payable	65,115
Net cash provided by operating activities	$ 695,242

NONCASH INVESTING AND FINANCING ACTIVITIES:

There were no noncash investing, capital or financing activities during the fiscal year endeed September 30, 2021.

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See accompanying independent auditors' report and accompanying notes to the basic financial statements.

BORREGO SPRINGS WATERMASTER

NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Period of Inception (March 31, 2020) through September 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Nature of Organization

In January 2020, a complaint seeking a comprehensive adjudication of the groundwater rights of the Basin was filed by the BWD in the Superior Court for San Diego County, pursuant to Code of Civil Procedure (CCP) sections 830, et seq (*Borrego Water District v. All Persons Who Claim a Right to Extract Groundwater in the Borrego Valley Groundwater Subbasin, et al.*, San Diego Superior Court case no. 37-2020-00005776-CU-TT-CTL). The proposed Stipulated Judgment was filed with the Court pursuant to a Settlement Agreement that was signed by Settling Parties that are responsible for over 90 percent of the groundwater pumping in the Basin. The Settlement Agreement also provided for the establishment of an Interim Borrego Springs Watermaster to assume responsibility for the sustainable management of the Basin pursuant to the terms of the Judgment until finalized by the Court. The Interim Borrego Springs Watermaster held its first meeting on March 31, 2020.

On April 8, 2021, the honorable Judge Peter Wilson of the CA Superior Court for the County of Orange granted the motion for entry of the Stipulated Judgment (Judgment) which adjudicated the groundwater rights of the Borrego Spring Subbasin. As stated in Section II.F of the Judgement, the Court found that the Physical Solution for the Basin, which is comprised of the Judgment and *Groundwater Management Plan for the Borrego Springs Subbasin*, is consistent with California Water Code (CWC) Section 10737.8 and is a prudent, legal, and durable means to achieve sustainable groundwater management within the Basin as intended by Sustainable Groundwater Management Act.

The Watermaster held its first official meeting as a Court-appointed entity on April 8, 2021.

B. Basis of Accounting and Financial Statement Presentation

The Watermaster incorporates proprietary fund accounting which is similar to the principles applied to a business in the private sector. Revenues earned and expenses incurred are recognized and classified on an accrual basis. The measurement focus is on determination of financial position, changes in net position, and cash flows.

In accordance with GASB No. 20, the Watermaster's Proprietary Funds follow all GASB statements issued prior to November 30, 1989, until subsequently amended, superseded, or rescinded. The Watermaster also applies all FASB statements issued after November 30, 1989 that are developed for business enterprises unless those statements conflict with or contradict a GASB statement.

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BORREGO SPRINGS WATERMASTER

NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Period of Inception (March 31, 2020) through September 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The classification of net position into three classifications are as follows:

Invested in capital assets - This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation.

Restricted - This component of net position consists of constraints placed on net position use through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of governments or constraints imposed by law through constitutional provisions or enabling legislation. There was no restricted net position at September 30, 2021.

Unrestricted - This component of net position consists of net position that does not meet the definition of "restricted" or "invested in capital assets."

C. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

D. Cash and Cash Equivalents

For the purposes of the statements of cash flows, cash equivalents are defined as short-term, highly liquid investments that are both readily convertible to known amounts of cash or so near their maturity that they present insignificant risk of changes in value because of changes in interest rates, and have an original maturity date of three months or less.

F. Classification of Revenue

As an enterprise (proprietary) fund, the Watermaster classifies its revenues into two classifications: operating and nonoperating revenues.

Operating revenues are defined as revenues realized by Watermaster in exchange for providing its primary services for administering the judgment. Nonoperating revenues are those derived from the investment of cash and cash equivalents.

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BORREGO SPRINGS WATERMASTER

NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Period of Inception (March 31, 2020) through September 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Assessments

Administrative assessments are levied on the parties to the judgment in an amount sufficient to fund the costs of administering the judgment. During the year ended September 30, 2021, the assessment was $48 per acre foot to fund start-up activities. The future assessment will be $20 per acre foot.

If necessary, replacement water assessments will be recommended to the Watermaster Board at levels needed to meet the water obligation of each party for the previous calendar year.

NOTE 2 – CASH AND CASH EQUIVALENTS

Cash and cash equivalents are presented on the Statement of Net Position as follows at September 30, 2021. Total demand deposits at September 30, 2021 was $706,710.

DRAFT

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors
Borrego Springs Watermaster
Borrego Springs, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Borrego Springs Watermaster (the Watermaster) as of and for the period of inception (March 31, 2020) through September 30, 2021, and the related notes to the financial statements, which collectively comprise the Watermaster's basic financial statements, and have issued our report thereon dated _____, 2022.

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Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Watermaster's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Watermaster's internal control. Accordingly, we do not express an opinion on the effectiveness of the Watermaster's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Watermaster's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

To the Board of Directors
Borrego Springs Watermaster
Borrego Springs, California

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Watermaster's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Watermaster's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Lance, Soll & Lunghard, LLP

Brea, California
_____, 2022

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Appendix C

WY 2022 Budget Memo - Approved by Board on July 2, 2021

Interim Borrego Springs Watermaster
Board of Directors Meeting
July 8, 2021
AGENDA ITEM IV.A

To: Board of Directors

From: Samantha Adams, Executive Director

Date: July 2, 2021

Subject: Consideration of Approval of the Water Year 2022 Budget and Pumping Assessment

✓ **For Action**	✓ **Fiscal Impact**	☐ **Funds Budgeted**
☐ **Information Only**	✓ **Cost Estimate:**	**$ 597,003**

Recommended Action

Approve the Watermaster Operating Budget for Water Year (WY) 2022 as presented in Table 1a.

Fiscal Impact: The operating budget includes expenditures of $597,003. As proposed herein, the expenditures will be funded by pumping assessments ($458,000) and reserves ($139,003).

Background and Previously Related Actions by the Board

Section IV.E.3 of the Stipulated Judgment (Judgment) provides for a process and schedule for developing the Watermaster's annual budget and collecting assessments to fund it. The Board has reviewed and discussed the process and reviewed and refined the draft budget during the April, May, and June Board meetings. Staff has finalized the proposed budget for WY 2022 and prepared a five-year projection of the Watermaster operating costs based on the feedback from the Board.

The purpose of this memo is to present the final draft of the Operating Budget for WY 2022.

Watermaster Operating Budget for WY 2022

Table 1a, enclosed, summarizes the line-item operating budget, including revenues, expenditures, and reserves for WY 2022 and the projected line-item budgets for WYs 2023 through 2026. Table 1b below summarizes the budget without the line-item detail for each category of expenditures.

The projected budgets shown in Tables 1a and 1b are estimated based on Watermaster staff's best professional judgement as to how the cost of each line item will change over time. Some tasks increase due to annual inflation only (at a rate of about 3% per year), some tasks initially decrease in cost as efficiencies are achieved, followed by annual increases due to inflation, and some tasks fluctuate year-to-year based on the level of effort expected for non-routine work such as the work performed with the support of the TAC (e.g. Sustainable Yield updates).

For WYs 2022 through 2026, the pumping assessment is proposed to be set to a constant annual value of $458,000, which would result in a WY 2026 year-end reserve that is equal to the five-year average annual operating expenditures from WY 2022 to WY 2026, which is about $500,000.

Table 1b
Five-Year Projection of Borrego Springs Watermaster Operating Budget
Water Years 2022 through 2026

Revenues, Expenditures, and Reserves	Proposed WY 2022	Projected Budget			
		WY 2023	WY 2024	WY 2025	WY 2026
Revenues	**$ 458,000**	**$ 458,000**	**$ 458,000**	**$ 458,000**	**$ 458,000**
Pumping Assessments	$ 458,000	$ 458,000	$ 458,000	$ 458,000	$ 458,000
Total Expenditures	**$ 597,003**	**$ 473,480**	**$ 559,800**	**$ 445,509**	**$ 432,975**
Administrative Services	$ 223,799	$ 211,819	$ 218,024	$ 213,730	$ 219,992
Legal Services	$ 50,000	$ 51,500	$ 53,045	$ 54,636	$ 56,275
Engineering and Technical Services[1]	$ 286,124	$ 190,161	$ 268,131	$ 155,925	$ 134,853
Environmental Working Group	$ 37,080	$ 20,000	$ 20,600	$ 21,218	$ 21,855
Reserves	**$ 564,543**	**$ 549,063**	**$ 462,743**	**$ 475,233**	**$ 500,259**
Beginning Reserves	$ 703,546	$ 564,543	$ 564,543	$ 462,743	$ 475,233
Change in Net Assets	$ (139,003)	$ (15,480)	$ (101,800)	$ 12,491	$ 25,025
Year End Balance	$ 564,543	$ 549,063	$ 462,743	$ 475,233	$ 500,259

Notes
1 Engineering and technical includes the sum of Engineering, Sustainable Yield, Monitoring, Database, and CASGEM line-items shown in Table 1a.

For reference, Table 2, below, compares the line-item budget to (1) the approved and estimated budget for WY 2020 through 2021 and (2) the projected budget for WY 2022 based on the financial planning model prepared by the Settling Parties.

Table 2
Comparison of Planned and Actual/Proposed Budgets for Water Years 2020 & 2021 and Water Year 2022

Revenues, Expenditures, and Reserves	Comparison of Planned and Actual Budget for Water Year 2020 and WY 2021		Comparison of Planned and Proposed Budget for Water Year 2022	
	Settlement Agreement Budget WY 2020 & WY 2021	Projected Year-End WY 2020 & 2021	Settlement Agreement Financial Model WY 2022	Proposed WY 2022 Budget
Revenues[1]	**$ 1,173,602**	**$ 1,167,120**	**$ 469,403**	**$ 458,000**
Pumping Assessments[1]	$ 1,173,602	$ 1,167,120	$ 469,403	$ 458,000
Total Expenditures[2]	**$ 821,550**	**$ 463,574**	**$ 469,403**	**$ 597,003**
Administrative Services	$ 462,000	$ 203,123	$ 220,000	$ 223,799
Legal Services	$ 110,250	$ 75,000	$ 27,300	$ 50,000
Engineering and Technical Services[3]	$ 229,300	$ 168,064	$ 202,103	$ 286,124
Environmental Working Group	$ 20,000	$ 17,387	$ 20,000	$ 37,080
Reserves	**$ 352,052**	**$ 703,546**	**$ 352,052**	**$ 564,543**
Beginning Reserves	$ -	$ -	$ 352,052	$ 703,546
Change in Net Assets	$ 352,052	$ 703,546	$ -	$ (139,003)
Year End Balance	$ 352,052	$ 703,546	$ 352,052	$ 564,543

Notes

1 *Pumping assessment for WYs 2020 to 2021 was $48 per acre-foot of BPA rights. The $ per acre-foot cost will be determined based on actual pumping and carryover elections for WY 2021.*

2 *For WYs 2020 and 2021, includes start-up costs.*

3 *Engineering and Technical Services includes sum of Engineering, Sustainable Yield, Monitoring, Database, and CASGEM.*

Next Steps

Table 3 below summarizes the process and schedule for implementing Watermaster's annual budget and collecting assessments to fund it pursuant to Section IV.E.3 of the Judgment.

Following Board approval, Staff will publish the WY 2022 budget to the Watermaster website. A status report on any challenges to the Budget will be provided at the August 12, 2021 Board meeting.

Table 3
Milestones and Schedule to Publish the WY 2022 Budget and Collect Assessments to Fund the Budget

Judgment Defined Due Dates	Watermaster Planned Action Dates	Milestones
June 30	July 9, 2021	Watermaster publishes Budget for ensuing Water Year
July 31	Aug. 10, 2021	Any challenge to the budget by a Party must be initiated by notice to the Watermaster
August 30	Sept. 9, 2021	Mediation of any challenge to the budget is completed pursuant to Section VII.A(1) of Judgment
October 15	Oct. 24, 2021	Any challenge to the budget by a Party unresolved by mediation will be heard by the Court
October 15	Oct. 15, 2021	Watermaster issues notice to each Party of: prior year pumping allocation and pumping, max amount eligible for carryover, estimate of the pumping assessment.
October 31	Nov. 9, 2021	Court order is entered on any Party's challenge to budget heard by the Court
October 31	Nov. 9, 2021	Each Party informs Watermaster of its elections for: carryover, foregoing pumping, or resuming pumping
November	Nov. 30, 2021	Watermaster provides Pumping Assessment invoice to each Party for first installment of Pumping Assessment
December	Dec. 15, 2021	First installment of Pumping Assessment due
May 31	May 31, 2022	Watermaster provides Pumping Assessment invoice to each Party for second installment of Pumping Assessment
June 30	June 30, 2022	Second installment of Pumping Assessment due

Enclosures

Table 1a – Proposed Borrego Springs Watermaster Operating Budget for Water Year 2022

Watermaster Operating Scope of Work for WY 2022

Statement of Work No. 3 – West Yost Administrative and Technical Services

Draft Exhibit 1 to SOW No. 3 - Labor Hours and Fee Estimate to Provide Professional Services to the Borrego Springs Watermaster: Executive Director and Technical Consultant Services for Water Year 2022 -- Statement of Work No. 3

Table 1a

Five-Year Projection of Borrego Springs Watermaster Operating Budget: Water Years 2022 through 2026

Revenues, Expenditures, and Reserves	WY 2020-2021 Estimated Year End	Proposed WY 2022	Projected Budget[1]			
			WY 2023	WY 2024	WY 2025	WY 2026
Revenues[2]	**$ 1,167,120**	**$ 458,000**	**$ 458,000**	**$ 458,000**	**$ 458,000**	**$ 458,000**
Pumping Assessments[2]	$ 1,167,120	$ 458,000	$ 458,000	$ 458,000	$ 458,000	$ 458,000
Total Expenditures	**$ 463,574**	**$ 597,003**	**$ 473,480**	**$ 559,800**	**$ 445,509**	**$ 432,975**
Administrative Services	**$ 203,123**	**$ 223,799**	**$ 211,819**	**$ 218,024**	**$ 213,730**	**$ 219,992**
Watermaster Staff Admin Services	***$ 203,123***	***$ 183,149***	***$ 170,100***	***$ 175,203***	***$ 169,774***	***$ 174,867***
Board Meetings	*$ 107,792*	*$ 73,812*	*$ 64,586*	*$ 66,523*	*$ 68,519*	*$ 70,574*
Technical Advisory Committee Meetings	*$ 27,084*	*$ 29,938*	*$ 31,435*	*$ 32,378*	*$ 22,665*	*$ 23,344*
Court Hearings	*$ 5,590*	*$ 5,590*	*$ 5,870*	*$ 6,046*	*$ 6,227*	*$ 6,414*
Administration and Management	*$ 62,657*	*$ 73,809*	*$ 68,210*	*$ 70,256*	*$ 72,364*	*$ 74,535*
Other Administrative Services		***$ 40,650***	***$ 41,720***	***$ 42,821***	***$ 43,956***	***$ 45,124***
Financial Audit		*$ 15,000*	*$ 15,450*	*$ 15,914*	*$ 16,391*	*$ 16,883*
Insurance		*$ 20,000*	*$ 20,600*	*$ 21,218*	*$ 21,855*	*$ 22,510*
Website (Domain and Hosting)		*$ 650*	*$ 670*	*$ 690*	*$ 710*	*$ 732*
Misc. Expenses		*$ 5,000*	*$ 5,000*	*$ 5,000*	*$ 5,000*	*$ 5,000*
Legal Services	**$ 75,000**	**$ 50,000**	**$ 51,500**	**$ 53,045**	**$ 54,636**	**$ 56,275**
General Engineering Services	**$ 79,924**	**$ 72,674**	**$ 67,233**	**$ 69,250**	**$ 71,328**	**$ 73,468**
Coordinate/Implement meter reading program	*$ 36,248*	*$ 26,634*	*$ 24,690*	*$ 25,430*	*$ 26,193*	*$ 26,979*
Annual Report to the Court and DWR	*$ 25,656*	*$ 31,920*	*$ 28,000*	*$ 28,840*	*$ 29,705*	*$ 30,596*
As-needed technical support	*$ 18,020*	*$ 14,120*	*$ 14,544*	*$ 14,980*	*$ 15,429*	*$ 15,892*
Groundwater and Surface Water Monitoring	**$ 50,768**	**$ 54,932**	**$ 56,580**	**$ 50,000**	**$ 35,000**	**$ 36,050**
Maintain Data Management System	**$ 27,032**	**$ 11,273**	**$ 11,611**	**$ 11,960**	**$ 12,318**	**$ 12,688**
Annual collection and upload of hydrologic data	*$ 4,784*	*$ 4,821*	*$ 4,966*	*$ 5,115*	*$ 5,268*	*$ 5,426*
As-needed build out of features	*$ 22,248*	*$ 6,452*	*$ 6,646*	*$ 6,845*	*$ 7,050*	*$ 7,262*
CASGEM Compliance	**$ 1,288**	**$ 1,240**	**$ 1,277**	**$ 1,316**	**$ 1,355**	**$ 1,396**
TAC Supported Work	**$ 9,052**	**$ 146,005**	**$ 53,459**	**$ 135,606**	**$ 35,924**	**$ 11,252**
Technical Work to Support Sustainable Yield Updates	*$ 9,052*	*$ 115,750*	*$ 30,000*	*$ 125,000*	*$ 25,000*	*$ -*
Development of Work Plan for a Groundwater Quality Monitoring Program	*$ -*	*$ 20,258*	*$ 13,162*	*$ -*	*$ -*	*$ -*
Address Ad Hoc Requests from the Board	*$ -*	*$ 9,997*	*$ 10,297*	*$ 10,606*	*$ 10,924*	*$ 11,252*
Environmental Working Group	**$ 17,387**	**$ 37,080**	**$ 20,000**	**$ 20,600**	**$ 21,218**	**$ 21,855**
Reserves	**$ 703,546**	**$ 564,543**	**$ 549,063**	**$ 462,743**	**$ 475,233**	**$ 500,259**
Beginning Reserves	$ -	$ 703,546	$ 564,543	$ 564,543	$ 462,743	$ 475,233
Change in Net Assets	$ 703,546	$ (139,003)	$ (15,480)	$ (101,800)	$ 12,491	$ 25,025
Year End Balance	$ 703,546	$ 564,543	$ 549,063	$ 462,743	$ 475,233	$ 500,259

Notes

1-- The projected budget is estimated based on Watermaster staff's best professional judgement as to how the cost of each line item will change over time. Some tasks increase at an annual inflation rate of 3%, some tasks initially decrease in cost as efficiencies are achieved, followed by annual increases due to inflation, and some tasks fluctuate year to year based on the level of effort expected for non-routine work such as the work performed with the support of the TAC (e.g. Sustainable Yield updates).

2 -- The pumping assessment was set to a constant annual value that would achieve a WY 2026 year-end reserve that is equal to the average annual operating expenditures from WY 2022 to WY 2026 ($501,753)

Watermaster Operating Scope of Work for WY 2022

The following is a summary of the scope of work for the administrative, legal, and technical services included in the proposed WY 2022 budget. For each expenditure category, the budget is shown in parentheses. The scope of work and budget for items denoted with a (*) are based on the recommendations from the TAC or EWG, as presented to and accepted by the Board at its June 10, 2021 meeting. Details on the scope of work items that will be performed by Watermaster's administrative and engineering consultant, West Yost, are provided in the attachment called Statement of Work No. 3.

Administrative Services ($223,799). These are the services required to operate the Watermaster, including administration and management services provided by West Yost, and other professional services. This includes:

- Watermaster Staff Admin Services (West Yost - $183,149). Services include:
  - Board meetings, TAC meetings*, and Court hearings
  - Accounting and financial services
  - Annual water rights accounting and determination of pumping assessments
  - Management of watermaster records, documents, and Watermaster Website
  - Tracking public communications and information requests
  - Preparation of Watermaster budget for WY 2023
  - As-needed support to the BPA Parties
  - As-needed administration of the Judgment, Rules & Regulations, and GMP
  - General administration and management
- Other Administrative Services ($40,650). These services include:
  - Financial Audit for WYs 2019 and 2020 ($15,000)
  - Insurance ($20,000)
  - Website domain and hosting ($650)
  - Misc. expenses to cover unplanned costs of services or equipment ($5,000)

Legal Services ($50,000). This covers the cost of legal services for James Markman of RWG Law to prepare for and attend meetings, report to the Court, attend Court hearings, and perform other legal services as directed by the Board.

General Engineering Services (West Yost - $72,674). This covers the general engineering services of the Watermaster, including:

- Coordinate and implement the meter verification and meter reading program
- *Prepare Annual Report to the Court and DWR

- As-needed technical support for administration the Judgment, Rules & Regulations, and Groundwater Management Plan. This could include items such as as-requested assessments of compliance with fallowing standards, or other Board-initiated activities.

Groundwater and Surface Water Monitoring Programs (West Yost - $54,932). This category covers the implementation of Watermaster's groundwater and surface water monitoring programs. For WY 2022, Watermaster will continue to implement the interim monitoring program.

Maintain Data Management System (West Yost - $11,273). This covers the work to maintain and keep up to date the Watermaster's database management system (DMS), HydroDaVE, including annual collection of hydrologic datasets to supplement the field monitoring programs and as-needed services to continue to build out the DMS (design custom reports, load new shapefiles, upload newly identified legacy data, build out library, etc.).

CASGEM Compliance (West Yost - $1,240). This covers the cost for Watermaster staff to submit water level data to the CA DWR on a semi-annual basis in compliance with the CASGEM program.

***TAC Recommended Scope of Work for WY 2022 (West Yost - $146,005).** This covers the following activities recommended by the TAC, as documented in June 7, 2021 memo to the Board. The work includes:

- Technical Work to Support Sustainable Yield Updates
    - Collect data and information from DWR and others
    - Compare Model-Estimated vs Metered Pumping
- Start Development of Work Plan for a Groundwater Quality Monitoring Program
- Address Ad Hoc Requests from the Board

***Environmental Working Group (West Yost - $37,080).** This covers the cost to support the EWG recommended scope of work, as documented in June 7, 2021 memo to the Board. The work includes:

- EWG Meetings
- Preparation of a Biological Restoration Plan
- Preparation of a GDE Monitoring Workplan

Statement of Work No. 3 (SOW No. 3)
West Yost Administrative and Technical Services
for the Borrego Springs Watermaster

July 8, 2021

The following describes the statement of work (SOW) No. 3 for West Yost administrative and technical services for October 1, 2021 through September 30, 2022. On October 1, 2021, SOW No. 3 would supersede and replace SOW No. 2 (as amended on December 10, 2020).

The attached Exhibit 1 provides the line item cost estimate detail for each task and sub-task in SOW No. 3, including labor and other direct charges.

Task Descriptions

Task 1 – Meetings and Court Hearings. ***Budget: $109,340*** West Yost will prepare for and attend:

- Up to 12 Watermaster Board (Board) Meetings: (10) virtual meetings and (2) in-person meetings.
- 4 TAC Meetings
- Preparation for and attendance at Court hearings, as needed.

This work includes coordinating with the Board, legal counsel, TAC members, preparing the agenda packages, preparing presentation materials, leading the meetings, and preparing minutes.

Task 2 – Watermaster Administration and Management. The Executive Director will organize, oversee, and/or perform the administrative and management aspects of running the Watermaster and administering the Judgment, Rules and Regulations, and GMP. This includes the following subtasks:

2.1 Prepare the Watermaster annual budget. ***Budget: $10,994*** In collaboration with the TAC, prepare a draft administrative and technical budget for WY 2023 by June 30, 2022; and finalize the budget for approval by July 2022.

2.2 Insurance, accounting, and financial services. ***Budget: $12,684*** Obtain and maintain insurance policies (e.g., liability insurance) as directed by the Board; maintain a bank account, prepare and issue assessment invoices, prepare monthly financials, oversee the annual audit, and perform other as-requested accounting services.

2.3 Annual water rights accounting and pumping assessment calculation. ***Budget: $14,996*** Perform annual accounting of water rights to compute the annual pumping assessment for WY 2022. This includes work to prepare and maintain reports of carryover rights and transfers of BPA, updates to Exhibit 4 to the Judgment to file with Court annually (or file a statement that no transfer of BPA has occurred in the prior Water Year).

2.4 Management of Watermaster records, documents, and website. ***Budget: $4,188*** Maintain a catalogue all of the reference documents, official correspondence, and Watermaster files and records, and storing a copy of all records available for public access pursuant to the Rules and Regulations. As appropriate to their content, the documents will also be saved to a project library within HydroDaVE. Staff will also host and maintain the Watermaster website, including: posting

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notices, determinations, requests, demands, objections, reports, and other papers pursuant to the Judgment. Staff will ensure confidential data is maintained accordingly.

2.5 Respond to and track public information requests. ***Budget: $2,595*** This includes timely response to requests for data and information from the Parties or the public. All requests will be responded to and tracked in a manner consistent with any communications policies adopted by the Watermaster. This also includes maintaining an active list of stakeholders interested in receiving notifications regarding Watermaster activities; also maintain a current list of names and addresses of all Parties to Stipulated Agreement or their successors.

2.6 As-needed support to the BPA Parties. ***Budget: $6,810*** This task is to provide routine support the BPA parties in compliance with the Judgment and Rules & Regulations. Watermaster staff will be available to support the Parties, as needed and within reason, to ensure they understand the Judgment requirements, such as the metering program, payment of assessments, water rights accounting, and fallowing standards. Any significant requests for support will be taken to the Board for direction.

2.7 As-needed administration of the terms of the Judgment, Rules & Regulations, and Groundwater Management Plan. ***Budget: $10,542*** This includes any other as-needed performance of non-routine services to implement the Watermaster guidance documents.

2.8 Other general administration and project managements tasks. ***Budget: $11,000*** This includes, but is not limited to, managing staff and subconsultants, tracking task schedules and progress, and tracking budget progress.

Task 3 – Technical Services. The objective of this task is for the Technical Consulting team to perform the technical services required by the Judgment, Rules and Regulations, and GMP for WY 2022. This includes:

3.1 Coordinate and implement the meter reading program. ***Budget: $26,634*** This includes:

- 3.2a – annual collection and review of the required meter calibration and accuracy tests. The data will be reviewed for accuracy and QA/QC, recorded, and any delinquencies reported back to the BPA Party.
- 3.2b – monthly collection and processing of meter read data. The data will be reviewed for accuracy and QA/QC, recorded, and used to compute monthly pumping volumes. This task ***does not*** include work to perform meter reading services at manual-read meters. That work is directly paid for by the BPA Parties with manual-read meters.

3.2 Implement Interim GMP Monitoring Program. ***Budget: $54,932*** This task includes implementing the interim groundwater monitoring program for fall 2021 and spring 2022. The monitoring program includes semi-annual field collection of groundwater-level measurements

(manual and pressure transducer downloads), groundwater-quality samples[1], and surface-water flow measurements on Coyote Creek. The analytes for water quality sampling include arsenic, fluoride, nitrate, sulfate, total dissolved solids (TDS), and all other major anions and cations. Following the field events, the field and laboratory data will be cataloged, processed into standardized formats, reviewed for QA/QC, and uploaded to HydroDaVE. This task includes the operation and maintenance of wells, measuring devices, and/or meters necessary to monitor stream flow and groundwater levels.

3.3 Maintain Database Management System (HydroDaVE) for all groundwater, surface water, and climate data. ***Budget: $11,273*** This covers the work to maintain and keep up to date the Watermaster's database management system (DMS), HydroDaVE, including:

- annual collection and processing of other environmental datasets relied on to manage the Basin, including precipitation, climate, surface-water quality, municipal well water quality, and others
- as-needed services to continue to build out the DMS (design custom reports, load new shapefiles, upload newly identified legacy data, build out library, etc.).

3.4 CASGEM Compliance. ***Budget: $1,240*** This task includes using HydroDaVE to export data using the custom CASGEM report that provides the data in the exact format required by the DWR. Data will be delivered to DWR twice per year following the fall and spring monitoring events in Task 3.2.

3.5 Prepare Combined Annual Report to Court and DWR. ***Budget: $31,920*** Prepare the draft and final annual report pursuant to the requirements of Section IV.E(5)(b) of the Judgment and Section 4.2.8 of the Rules and Regulations. The draft report will be completed by February 17, 2022 for review at a public hearing and the final report will be completed and submitted to the Court and the DWR no later than April 1, 2022.

3.6 As-needed technical support for implementation of the Judgment, Rules and Regulations, and Groundwater Management Plan. ***Budget: $14,120*** This includes any other as-needed performance of non-routine technical services to implement the Watermaster guidance documents, such as updating forms and protocols, educating the Board and TAC on Best Management Practices, analysis of data, or use of the BVHM.

3.7 Technical Work to Support Update of Sustainable Yield. ***Budget: $115,750*** This work involves two sub-tasks.

- Obtain Groundwater-Level Data from the DWR and Well Owners. The DWR has been collecting groundwater-level data at private wells in the Subbasin for over a decade. Collecting these data will require outreach and coordination with the DWR and the well owners. West Yost will contact the DWR to identify the number and locations of well data

[1] Assumes BWD will collect samples at its nine active production wells.

in their system, and the DWR procedure for granting access to the historic data. We will report the findings to the TAC for consideration and advice. The data that are collected will be reviewed, compiled, and uploaded to the database

- BVHM Improvements. The TAC recommends that improvements to the BVHM in WY 2022 and WY 2023 be focused on refining historical and future estimates of pumping. West Yost will update and run the BVHM through WY 2021 and compare the BVHM-estimated pumping for WY 2021 to the Watermaster's metered pumping for WY 2021. A draft technical memorandum (TM) will be prepared to describe the model results, the comparison of pumping estimates, and the recommendations for model updates that are necessary to redetermine the Sustainable Yield. The TAC will review the TM and provide feedback which will be incorporated into a final TM for presentation to the Board. To provide reliable results during this first critical redetermination process, and a smooth technical transition the scope of work and budget assumes that Dudek will provide technical assistance, within a limited scope as directed by the Board, in an amount not to exceed $20,500.

3.8 Start Development of Work Plan for a Groundwater Quality Monitoring Program. ***Budget: $20,258*** Section VI.B of the Judgment requires the Watermaster to develop a Water-Quality Monitoring Plan (WQMP) with TAC input within 24 months of entry of Judgment (by April 2023). The steps to develop the WQMP include: (i) define the questions that the monitoring plan should answer to comply with the Judgment; (ii) identify the gaps in the interim groundwater-quality monitoring program that should be filled to comply with the Judgment; and (iii) describe recommended steps and costs to fill the data gaps. Steps (i) and (ii) will be performed in WY 2022.

3.9 Address Ad Hoc Requests of TAC from the Board. ***Budget: $9,997*** From time to time, the Board may request activities or special studies for the TAC to complete. These ad hoc activities are undefined and will only be performed as requested.

Task 4 – Environmental Working Group. The objective of this task is to support the activities of the EWG. This includes the following subtasks:

4.1 Prepare for and attend EWG Meetings. ***Budget: $14,005*** This includes two meetings to conduct EWB business and make timely recommendations to the Board. One of the meetings will be in-person and will include a field trip to tour the Honey Mesquite forest near the Borrego Sink and the agricultural areas of the Borrego Springs Subbasin.

4.2 Biological Restoration Plan. ***Budget: $17,606*** West Yost will support the EWG to prepare a Biological Restoration Plan that would include (1) a high-level "biological assessment" of those lands that have been fallowed or have potential for future fallowing, (2) a description of the various methods for implementing biological restoration projects, and (3) a list of potential grant opportunities and outside partners that should be pursued to implement biological restoration projects. These lists would evolve over time. In WY 2020 the work will include two sub-tasks:

Statement of Work No. 3 (SOW No. 3)
West Yost Administrative and Technical Services
for the Borrego Springs Watermaster

July 8, 2021

- Prepare a base map of lands that are currently fallowed or could potentially be fallowed.
- Prepare a Biological Assessment Workplan for the North Management Area of the Borrego Springs Subbasin.

4.3 Prepare GDE Monitoring Workplan. ***Budget: $5,469*** West Yost will support the EWG to prepare a GDE monitoring workplan. The technical work that supported the GMP indicated that, because of historical drawdown, the historical GDEs within the Borrego Springs Subbasin are now disconnected from the aquifer system. The EWG contends that a monitoring program may be prudent to check/verify the conclusions of the technical work that supported the GMP. The subtasks to develop the GDE Monitoring Workplan are:

- Review the technical work that supported the conclusions in the GMP.
- Prepare GDE Monitoring Workplan.

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Exhibit 1 to Statement of Work No. 3

Labor Hours and Fee Estimate to Provide Professional Services to the Borrego Springs Watermaster: Executive Director and Technical Consultant Services for Water Year 2022

Task and Subtask Descriptions	Footnotes	Labor Hours and Cost														Reimbursable Expenses						Total Project Costs	
		Executive Director	Lead Technical	Controller	Principal III	Principal I	Supervising I	Senior II	Staff II	Staff Eng/Sci/Geo I	Field Technician	Administrative III	Task Repetition Multiplier	Total Person Hours	WEI Labor Cost Sub-Task	WEI Labor Cost Task	Travel	Field Equip-ment Rental or Purchase	Lab-oratory	Sub-contractor	Total Reimbursable Expenses Sub-Task	Total Reimbursable Expenses Task	Sub-Task	Task
Task 1 - Meetings and Court Hearings																**$107,812**							**$1,528**		**$109,340**
1.1 Watermaster Board meetings																**$72,534**							**$1,278**		**$73,812**
Prepare for and attend 10 Regular Board meetings (Virtual)		12	2						7			2	10	230	$51,710						$0		$51,710	
Prepare for and attend 2 Regular Board meetings (In Person)		20	8						16			2	2	92	$20,824		$1,278				$1,278		$22,102	
1.2 Technical Advisory Committee meetings	*a*															**$29,938**							**$0**		**$29,938**
Prepare for and attend 4 TAC meetings (Virtual)		3	10			4			4			1	4	88	$21,132						$0		$21,132	
Prepare memos to the Board		0.5	6						2			1	4	38	$8,806						$0		$8,806	
1.3 Court Hearings																**$5,340**							**$250**		**$5,590**
As-needed attendance at Court hearings		20											1	20	$5,340		$250				$250		$5,590	
Task 2 - Watermaster Administration and Management																**$73,809**							**$0**		**$73,809**
2.1 Prepare the draft and final Watermaster budget for WY 2023 (including collaboration with the TAC)		16	16		6				4			2	1	44		**$10,994**					$0		**$0**		**$10,994**
2.2 Insurance, accounting, and financial services		12		24								30	1	66		**$12,684**					$0		**$0**		**$12,684**
2.3 Annual water rights accounting and pumping assessment calc.		40		6					16			2	1	64		**$14,996**					$0		**$0**		**$14,996**
2.4 Management of Records, Documents, and Website		0.5							0.5			1	12	24		**$4,188**					$0		**$0**		**$4,188**
2.5 Track/Respond to Public Communications and Requests		0.3							0.5			0.5	12	15		**$2,595**					$0		**$0**		**$2,595**
2.6 As-needed support to the BPA Parties		1.5							1				12	30		**$6,810**					$0		**$0**		**$6,810**
2.7 As-requested admin. of the Judgment, Rules & Regs, and GMP		30							12			4	1	46		**$10,542**					$0		**$0**		**$10,542**
2.8 General administration and project managements tasks		2							2			1	11	55		**$11,000**					$0		**$0**		**$11,000**

Exhibit 1 to Statement of Work No. 3

Labor Hours and Fee Estimate to Provide Professional Services to the Borrego Springs Watermaster: Executive Director and Technical Consultant Services for Water Year 2022

Task and Subtask Descriptions	Footnotes	Labor Hours and Cost														Reimbursable Expenses						Total Project Costs	
		Executive Director	Lead Technical	Controller	Principal III	Principal I	Supervising I	Senior II	Staff II	Staff Eng/Sci/Geo I	Field Technician	Administrative III	Task Repetition Multiplier	Total Person Hours	WEI Labor Cost Sub-Task	WEI Labor Cost Task	Travel	Field Equip-ment Rental or Purchase	Lab-oratory	Sub-contractor	Total Reimbursable Expenses Sub-Task	Total Reimbursable Expenses Task	Sub-Task	Task
Task 3 - Engineering and Technical Services																**$241,474**							**$44,650**		**$286,124**
3.1 Coordinate and implement meter program																**$26,634**							**$0**		**$26,634**
a Collect and review annual meter calibration/accuracy reports		4	4						24				1	32	$6,144							$0		$6,144	
b Collect, catalog monthly meter reads and calculate pumping	*b*	0.5							2	8			12	126	$20,490							$0		$20,490	
3.2 Implement Interim Groundwater Monitoring Program																**$30,782**							**$24,150**		**$54,932**
a Semi-annual field collection of groundwater and stream flow data	*c*	2					2		8		100		2	224	$21,460		$5,200	$750	$ 4,800	$ 13,400	$24,150		$45,610		
b Review, QA/QC, and upload of field/lab data to HydroDaVE		1	2				6			16			2	50	$9,322						$0		$9,322		
3.3 Maintain Database Management System (HydroDaVE)																**$11,273**							**$0**		**$11,273**
a Annual collection, process, and upload of other hydrologic and water quality data (precip, climate, municipal well WQ)		1	2				4			20			1	27	$4,821						$0		$4,821		
b As-needed services (develop custom reports, upload newly identified legacy data from parties, build out library)			4			16			8				1	28	$6,452						$0		$6,452		
3.4 CASGEM Compliance (fall 2021 and spring 2022 reporting)										4			2	8		**$1,240**							**$0**		**$1,240**
3.5 Combined Annual Report to the Court and DWR		32	24				24	12	40	8		8	1	148		**$31,920**							**$0**		**$31,920**
3.6 As-needed support for implementation of the Judgment, Rules & Regs, and GMP (e.g. review of fallowing standards compliance)		12	24			8			8	4		4	1	60		**$14,120**							**$0**		**$14,120**
TAC Recommended Scope of Work WY 2022																									
3.7 Technical Work to Support Update of Sustainable Yield	*a*															**$95,250**							**$20,500**		**$115,750**
a Collect data and information from DWR and others			*4*						*16*	*16*			1	36	$6,220						$0		$6,220		
b Compare Model-Estimated vs Metered Pumping at Wells		*20*	*70*			*140*			*140*	*40*			1	410	$89,030					$ 20,500	$20,500		$109,530		
3.8 Start Development of Work Plan for a Groundwater Quality Monitoring Program	*a*	14	34						26	20			1	94		**$20,258**							**$0**		**$20,258**
3.9 Address Ad Hoc Requests from the Board	*a*	6	20						12	8			1	45		**$9,997**									**$9,997**
Task 4 - Environmental Working Group	*d*															**$34,191**							**$2,889**		**$37,080**
4.1 EWG Meetings and Report Out to Board		4	16						8			1	2	58		**$13,616**	$389						**$389**		**$14,005**
4.2 Biological Restoration Plan		2	36							32			1	70		**$15,106**				$ 2,500			**$2,500**		**$17,606**
4.3 GDE Monitoring Workplan		1	16							6			1	23		**$5,469**							**$0**		**$5,469**
Task Totals		**453**	**390**	**30**	**0**	**186**	**44**	**12**	**534**	**290**	**200**	**113**		**1,783**		**$457,286**	**$0**	**$0**	**$0**	**$0**			**$49,067**		**$506,353**

Notes:

a Budget recommended by the Technical Advisory Committee and approved by the Board.

b This work does not include coordination and reading of meters. Meter reading and associated administration services are paid by the parties with manual-read meters.

c Requires two field technicians for safety reasons. Assumes: 5 stream gaging sites on Coyote Creek; 35 water level wells (download of data loggers at 12 wells, manual measurements at 23 wells); 21 water quality wells: 14 active production wells, 7 low-flow sampling monitoring wells. Assumes BWD will sample its own active production wells (9 wells) and collect water levels at its production and monitoring wells (16 wells). The costs include travel time and costs associated with 4 night stay to perform all the work. The 7 low-flow wells in the water quality monitoring program will be sampled by BlaineTech Services. These wells do not have dedicated pumps for collecting samples and specialized equipment is needed due to well depths.

d Budget recommended by the Environmental Working Group and approved by the Board.

Appendix D

Technical Advisory Committee Recommended Scope and Budget for Water Years 2022 and 2023 – June 7, 2021 TAC Memo to the Board

Borrego Springs Watermaste
Board of Directors Meeting
June 10, 2021
AGENDA ITEM IV.B

To: Board of Directors

From: Andy Malone (WY), Lead Technical Consultant

Date: June 7, 2021

Subject: Technical Advisory Committee (TAC) Recommended Scope and Budget for Water Years (WY) 2022 and 2023

✓ **For Action**	✓ **Fiscal Impact**	☐ **Funds Budgeted**
☐ **Information Only**	✓ **Cost Estimate:**	**$259,040 (WY 2022 and 2023)**

Recommended Action

1. Approve the TAC recommended scope of work and budget for WY 2022 and WY 2023 (with any recommended changes).

Fiscal Impact: The recommended budget for TAC related efforts in WY 2022 is $175,943. The estimated cost for TAC efforts in WY 2023 is $83,097. The combined estimated cost for TAC efforts in WY 2022 and WY 2023 is $259,040.

Background and Introduction

Pursuant to Section III.F. of the Judgment, the TAC is to recommend to the Board a technical scope-of-work and budget for WY 2022 and WY 2023 by June 1, 2021. A primary focus of the scope-of-work is the technical work necessary to redetermine the Sustainable Yield of the Borrego Springs Subbasin (Subbasin) by January 1, 2025, as required by the Judgement to comprehensively determine and adjudicate all groundwater rights in the Subbasin.

The Borrego Valley Hydrologic Model (BVHM) was developed by the U.S. Geological Survey (USGS). The BVHM was used to determine the current estimate of the Sustainable Yield of 5,700 acre-ft per year. The Judgment calls for the continued update and use of the BVHM to redetermine the Sustainable Yield over the period of the Rampdown of Subbasin pumping through 2040.

The Groundwater Management Plan (GMP) identified the greatest uncertainties in the BVHM, including:

- Uncertainty in the historical and future pumping estimates.
- Uncertainty in the recharge estimates.
- Uncertainty in the aquifer properties.

The Judgment required the implementation of a systematic program to meter all wells with Baseline Pumping Allocation (BPA) rights. The metering program is currently being implemented and is filling a major data gap identified in the GMP going forward. However, the ability of the BVHM to accurately

estimate historical and future pumping remains essential to future redeterminations of the Sustainable Yield of the Subbasin, and has been identified by the TAC as the top priority issue to address in the 2025 redetermination of the Sustainable Yield.

Previous Actions by the Board and TAC

On April 8, 2021, the Board approved a TAC meeting agenda to initiate the TAC's effort to develop a recommended technical scope and budget for WY 2022 and WY 2023.

On April 25, 2021, the TAC met to discuss potential tasks that could be performed to redetermine the Sustainable Yield by the 2025 deadline.

On May 13, 2021, the Board approved a TAC meeting agenda to (i) finalize the TAC's recommended scope and budget for WY 2022 and WY 2023 and (ii) perform a mid-year review of the well production meter-reading program.

On May 25, 2021, the TAC met to review, edit, and prioritize a draft scope and budget that was prepared by the Technical Consultant. The questions that guided the TAC in the discussion at the meeting were:

1. Is the task necessary?
2. Is the scope appropriate?
3. Is the budget appropriate to execute the task?

The discussions at the TAC meeting, and thereafter, were the basis for the TAC recommendations described below.

Recommended Technical Scope and Budget for WY 2022 and 2023

Redetermination of the Sustainable Yield (WY 2022). The redetermination of the Sustainable Yield of the Subbasin through 2040 is an iterative scientific process. The tasks recommended by the TAC for WY 2022 and WY 2023 are designed to cost-effectively build upon existing data and models. During the Sustainable Yield redetermination process, the TAC will continue to objectively evaluate the data and make appropriate recommendations to the Board to achieve the Watermaster's sustainability goals.

The TAC consensus for the highest priority tasks during WY 2022 to assist in the redetermination of the Sustainable Yield are:

- *Obtain Groundwater-Level Data from the DWR and Well Owners*. The DWR has been collecting groundwater-level data at private wells in the Subbasin for over a decade. Collecting these data will require outreach and coordination with the DWR and the well owners. The data will be useful for modeling purposes, to fill data gaps, and to estimate Subbasin storage changes for SGMA annual reporting. As a first step, the TAC recommends the Technical Consultant contact the DWR to identify the number and locations of well data in their system, and the DWR procedure for granting access to the historic data. The Technical Consultant will report the findings of its discussion with the DWR to the TAC for consideration and advice. The data that are collected will be reviewed, compiled, and uploaded to the database.

- *BVHM Improvements*. The TAC recommends that improvements to the BVHM in WY 2022 and WY 2023 be focused on refining historical and future estimates of pumping. The validity of these pumping estimates is directly related to the accuracy of water budget generated by the BVHM, which is used to estimate the Sustainable Yield.

  The TAC recommended approach is to update and run the BVHM through WY 2021 and compare the BVHM-estimated pumping for WY 2021 to the Watermaster's metered pumping for WY 2021. The results of the comparison will inform the need for specific model updates and/or model recalibration (if any) in subsequent efforts to redetermine the Sustainable Yield.

  The existing BVHM is a complex groundwater model. It was last extensively run and calibrated by Dudek as part of their work pertaining to the Sustainable Groundwater Management Act (SGMA) on behalf of the Borrego Water District (BWD). To ensure reliable results during this first critical redetermination process, and a smooth technical transition, the TAC recommends the budget include funding for Dudek to support this model update and run. Accordingly, a $20,500 budget estimate is included to fund Dudek's assistance with this task (see Dudek's cost estimate attached to the end of memorandum).

  A draft technical memorandum (TM) will be prepared to describe the model results, the comparison of pumping estimates, and the recommendations for model updates that are necessary to redetermine the Sustainable Yield. The TAC will review the TM and provide feedback which will be incorporated into a final TM for presentation to the Board by the Technical Consultant.

The TAC recommends the foregoing tasks be completed in WY 2022 to provide the Watermaster early understanding of the potential need and associated costs for necessary model updates or model recalibration.

The TAC recommends that other model improvements, such as improving the estimates of recharge and aquifer properties, be deferred to a future time after the above tasks are completed and confirmed.

Table 1 is a line-item cost estimate of $115,750 to complete this task in WY 2022.

Redetermination of the Sustainable Yield (WY 2023). As stated above, the redetermination of the Sustainable Yield is an iterative process that builds upon prior data and model results. The objective of the work proposed for WY 2023 is to ensure that the BVHM estimates of historical and future pumping are defensible for use in the redetermination of the Sustainable Yield that will occur in WY 2024. The TAC recommended work for WY 2023 includes:

- Collect and validate metered pumping data through WY 2022.
- Update and run the BVHM through WY 2022
- Compare the metered pumping data against the results of the model run and propose any additional refinements to the BVHM.

The BVHM results and recommendations for additional model refinements (if any) will be documented in a draft TM. The TM will also describe a recommended base period and method to

redetermine the Sustainable Yield in WY 2024. The TAC will review the TM and provide feedback which will be incorporated into a final TM for presentation to the Board by the Technical Consultant.

An engineering-level cost estimate for this task in WY 2023 is $30,000. This cost estimate is conceptual because it is unknown what model refinements will be recommended in WY 2022.

Prepare Water-Quality Monitoring Plan. Section VI.B of the Judgment requires the Watermaster to develop a Water-Quality Monitoring Plan (WQMP) with TAC input within 24 months of entry of Judgment (by April 2023). The purpose of the WQMP is to provide the necessary information so that the Watermaster can avoid Undesirable Results and achieve Sustainable Groundwater Management. When complete, the WQMP will satisfy the requirements and objectives of the Judgment.

Currently, Watermaster has an interim groundwater-quality monitoring program at selected wells until the WQMP is completed. The intent of the WQMP is to leverage the existing monitoring that is occurring in the Subbasin and avoid duplication of monitoring efforts.

The steps to develop the WQMP include: (i) define the questions that the monitoring plan should answer to comply with the Judgment; (ii) identify the gaps in the interim groundwater-quality monitoring program that should be filled to comply with the Judgment; and (iii) describe recommended steps and costs to fill the data gaps. The data gaps will be identified by defining the questions that the WQMP should answer, an assessment of the readily available data, and an assessment of the interim groundwater-quality monitoring program. The recommended steps to fill data gaps may include increased or modified monitoring, construction of new monitoring facilities, or other strategies. The WQMP is required to be completed and approved by the Watermaster Board by April 2023. Implementation of the WQMP will begin in the fall of WY 2024. The subtasks to complete the WQMP are:

- *Perform Monitoring Gap Analysis*. The objective of this task is to develop the criteria that will be used to prepare the WQMP. Specific questions that need to be answered by the plan will be defined. The readily available groundwater-quality data that has been derived from the interim monitoring program will be assessed and evaluated with respect to the questions that need to be answered to identify the gaps in the interim monitoring program. A technical memorandum will be prepared to document the Monitoring Gap Analysis for TAC consideration and advice. The budget to complete this subtask is $20,258.
- *Prepare Water-Quality Monitoring Plan*. The Data Gap Analysis memorandum will provide the basis for preparing the WQMP. The plan will include: the network of monitoring wells; the frequency of monitoring; the constituents to be monitored; monitoring responsibilities; recommendations for reporting; a process for adaptation of the plan; and cost estimates to implement the plan. The plan will be approved by the Watermaster Board by April 2023. The budget to complete this subtask is approximately $13,162.

The budget to complete both subtasks is $ $33,420.

Some TAC members indicated that it should be a priority to start this task in WY 2022. Other TAC members felt that this task could be deferred until WY 2023. There was no TAC consensus on whether Task 3 should be started in WY 2022 or WY 2023. In this memorandum, the Monitoring Gap Analysis is shown to be completed in WY 2022, and the WQMP is shown to be completed in WY 2023.

Support DWR Annual Reporting. The Watermaster Board has shown considerable interest and concern with the change in groundwater storage estimates that were prepared for the 2020 SGMA annual report to the DWR. Topics of concern included the data and methods used to estimate storage change, the storage-change results, and the messaging that the storage-change results send to the BPA Parties and the public. The Board has asked the TAC for advice and guidance on the methods and on review of results.

The TAC recommends that the annual budget for the preparation of the Annual Report be increased by $5,000 to enable a process to have the TAC (i) work with the Technical Consultant on the storage change methods and analysis; (ii) review the results; and (iii) provide recommendations to the Board.

Ad Hoc Requests from the Board. From time to time, the Board may request activities or special studies for the TAC to complete. These ad hoc activities are undefined, and the budget assigned to this task is $9,997 per year for WY 2022 and WY 2023. Including this task and budget provides administrative flexibility and minimizes the potential need for mid-year supplemental budget requests to the Board.

TAC Meetings. The TAC recommends, at a minimum, a quarterly meeting schedule to conduct its business and make timely recommendations to the Board. The cost to prepare for, attend, and summarize the TAC recommendations to the Board is $29,938 per year for WY 2022 and WY 2023.

Future Technical Tasks. For planning purposes, the TAC requested that the Technical Consultant provide an engineering-level cost estimate to perform and document the modeling work in WY 2024 for the redetermination of the Sustainable Yield. The engineering-level cost estimate to redetermine Sustainable Yield and perform the required 5-year update to the GMP is approximately $150,000.

Summary of Cost Estimates for WY 2022 and WY 2023

Table 2 attached to this memorandum is a summary of the cost estimates for all tasks described above, summarized by year for WY 2022 and WY 2023.

Schedule

Figure 1 is a proposed TAC schedule for WY 2022 and WY 2023.

Table 1. Line-Item Cost Estimate to Redetermine the Sustainable Yield (WY 2022)

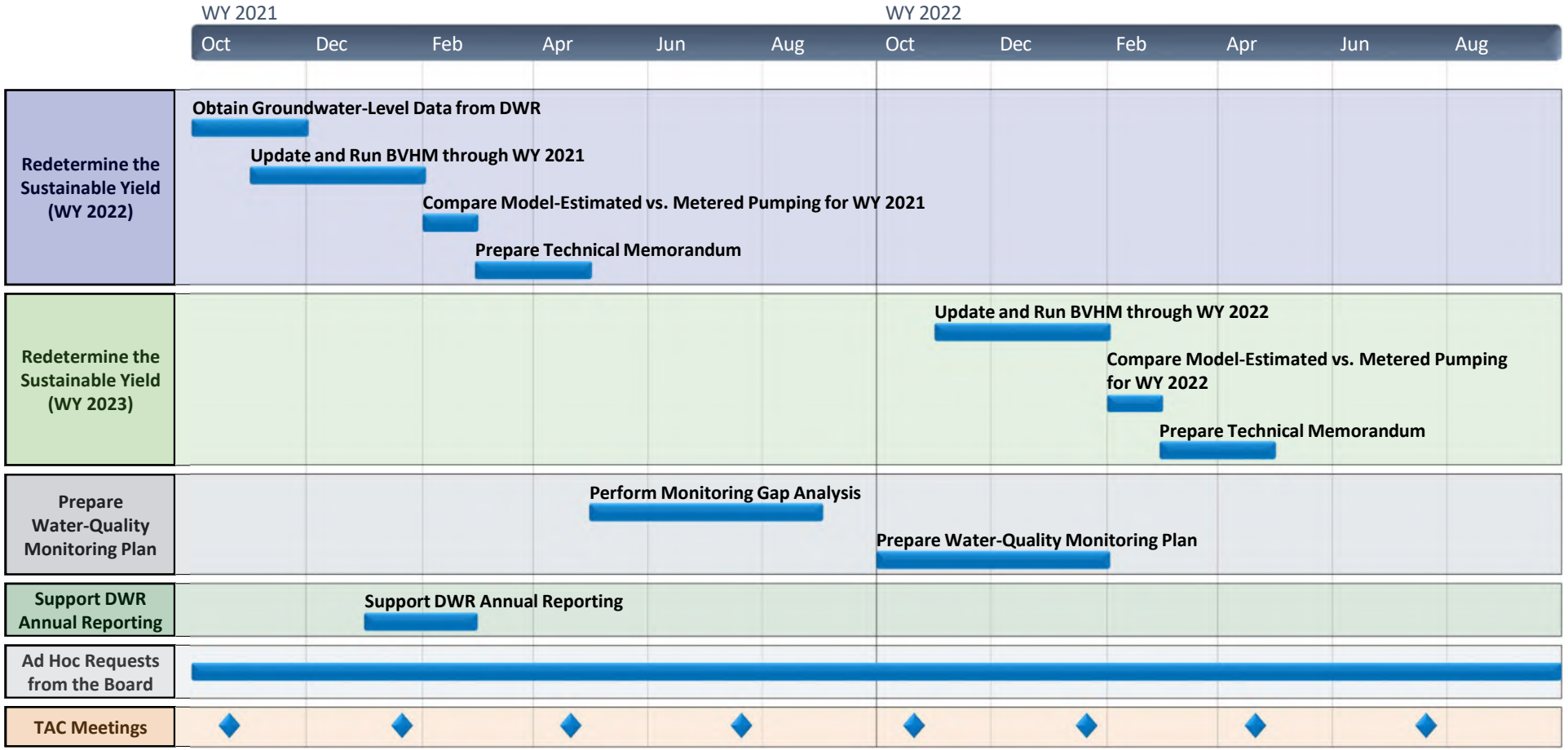
Task and Subtask	Person Hours	Labor Cost		Dudek	Other Direct Costs		Totals	
		Sub-Task	Task		Sub-Task	Task	Sub-Task	Task and Project
Redetermine the Sustainable Yield (WY 2022)								
Obtain Groundwater-Level Data from the DWR and Well Owners			**$6,220**			**$0**		**$6,220**
Collect groundwater-level data from DWR	18	$3,206			$0		$3,206	
Review, compile, and upload data to HydroDaVE	18	$3,014			$0		$3,014	
BVHM Improvements			**$89,030**			**$20,500**		**$109,530**
Collect BCM data/information from USGS for 2016-2021	50	$11,070		$3,145	$3,145		$14,215	
Update the land use and crop types, if changed since 2016	50	$11,070		$2,065	$2,065		$13,135	
Collect other input parameters and build model input files	50	$11,070		$2,065	$2,065		$13,135	
Update and run BVHM through WY 2021; check model results	86	$18,402		$1,800	$1,800		$20,202	
Compare BVHM-estimated vs. metered pumping for WY 2021	50	$10,950		$11,425	$11,425		$22,375	
Prepare draft technical memorandum with recommendations	92	$20,044			$0		$20,044	
Prepare final technical memorandum	32	$6,424			$0		$6,424	
Task 1 Totals	**446**		**$95,250**	**$20,500**				**$115,750**

Table 2. Cost Estimate for TAC Budget for WY 2022 and WY 2023

Task	WY 2022	WY 2023	Task Totals
Redetermine the Sustainable Yield by 2025	$115,750	$30,000	$145,750
Prepare Water-Quality Monitoring Plan	$20,258	$13,162	$33,420
Support DWR Annual Reporting[1]			
Ad Hoc Requests from the Board	$9,997	$9,997	$19,994
TAC Meetings	$29,938	$29,938	$59,876
Totals by Year	**$175,943**	**$83,097**	**$259,040**

1 -- Increase Watermaster annual budget for the preparation of the SGMA Annual Report to DWR by $5,000

Figure 1. TAC Schedule for WY 2022 and WY 2023



DUDEK

West Yost Associates, Inc.

13281.01 (Borrego Springs Watermaster Services)

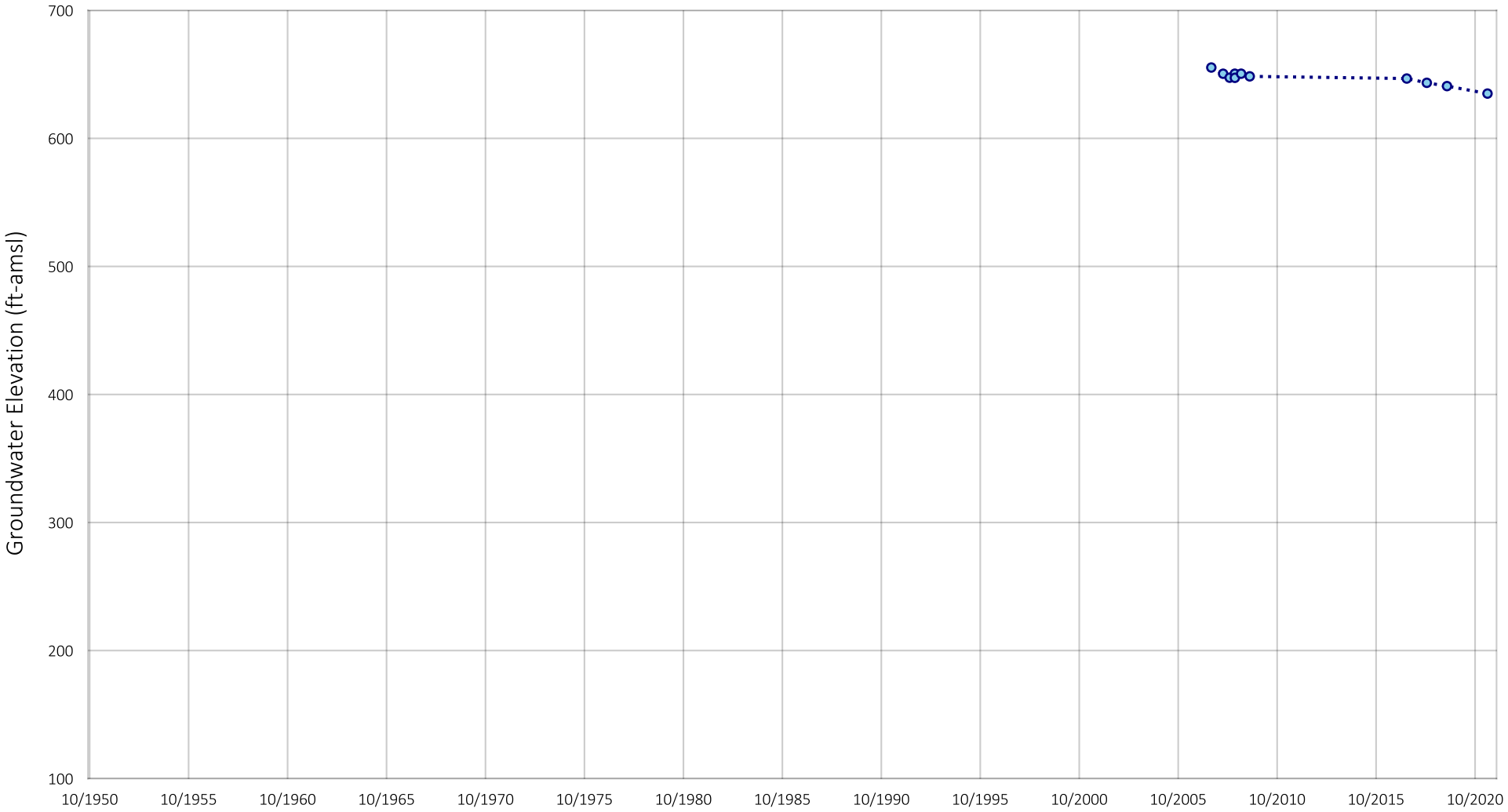
DUDEK FEE ESTIMATE

06/01/2021

		Dudek Labor Hours and Rates					
	Project Team Role:	Principal Hydrogeologist/ Engineer II	Hydrogeologist VI/Engineer VI	TOTAL DUDEK HOURS	DUDEK LABOR COSTS	OTHER DIRECT COSTS	TOTAL FEE
	Team Member:	Trey Driscoll	Trevor Jones				
	Billable Rate:	$265.00	$180.00				
Task 1	**Update of Land Use Types**						
1.1	Review approach to incorporate land use changes/types into the FMP	1	2	3	$625.00		$625.00
1.2	Assist with any input file development/GIS work		8	8	$1,440.00		$1,440.00
	Subtotal Task 1	**1**	**10**	**11**	**$2,065.00**		**$2,065.00**
Task 2	**Precipitation and Evapotranspiration**						
2.1	Assistance with GIS mapping of BCM data onto model grid and assess the potential need to scale BCM precip and PET by locally measured data.	1	16	17	$3,145.00		$3,145.00
	Subtotal Task 2	**1**	**16**	**17**	**$3,145.00**		**$3,145.00**
Task 3	**Review of streamflow and underflows**						
3.1	Collaborate with West Yost to discuss historical challenges with BCM usage in the BVHM	1	2	3	$625.00		$625.00
3.2	Assist West Yost in the development defensible estimates of streamflow and underflows for updated BVHM simulation		8	8	$1,440.00		$1,440.00
	Subtotal Task 3	**1**	**10**	**11**	**$2,065.00**		**$2,065.00**
Task 4	**Comparison of simulated and metered pumping rates**						
4.1	Review simulated pumping data from the updated BVHM and provide a quantitative comparison between simulated and metered extractions	1	10	11	$2,065.00		$2,065.00
4.2	Collaborate with West Yost in developing methods to calibrate FMP pumping to metered pumping		40	40	$7,200.00		$7,200.00
4.3	Provide assessment of historical modeled pumping estimates and needs to revise historical conditions simulation		12	12	$2,160.00		$2,160.00
	Subtotal Task 4	**1**	**62**	**63**	**$11,425.00**		**$11,425.00**
Task 5	**Assessment of model uncertainty**						
5.1	Assist in a model validation of updated BVHM results using recently measured groundwater elevations.		10	10	$1,800.00		$1,800.00
	Subtotal Task 5		**10**	**10**	**$1,800.00**		**$1,800.00**
	Total Hours	**4**	**108**	**112**			
	Total	**$1,060.00**	**$19,440.00**		**$20,500.00**	**$0.00**	**$20,500.00**
	Percent of Hours (Base)	***4%***	***96%***				

Appendix E

Groundwater Level Time Histories – 1950 to 2021



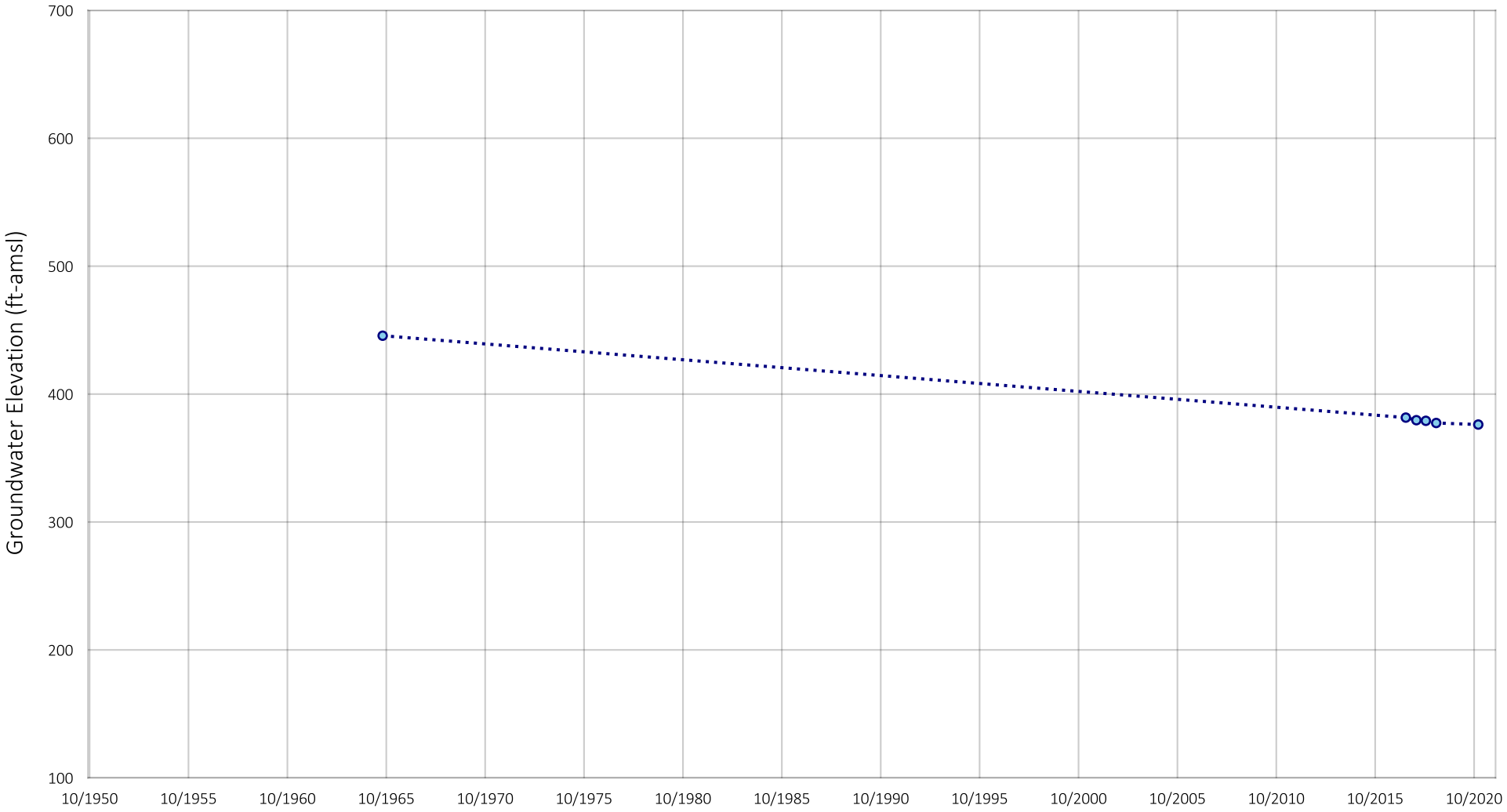
Location of Well in Borrego Springs

Prepared by:

WEST YOST
Water. Engineered.

Historical Groundwater Level Elevation
BSWM ID: 1245876
Well Name: Horse Camp
State Well ID: 009S006E31E003S

Figure E-1



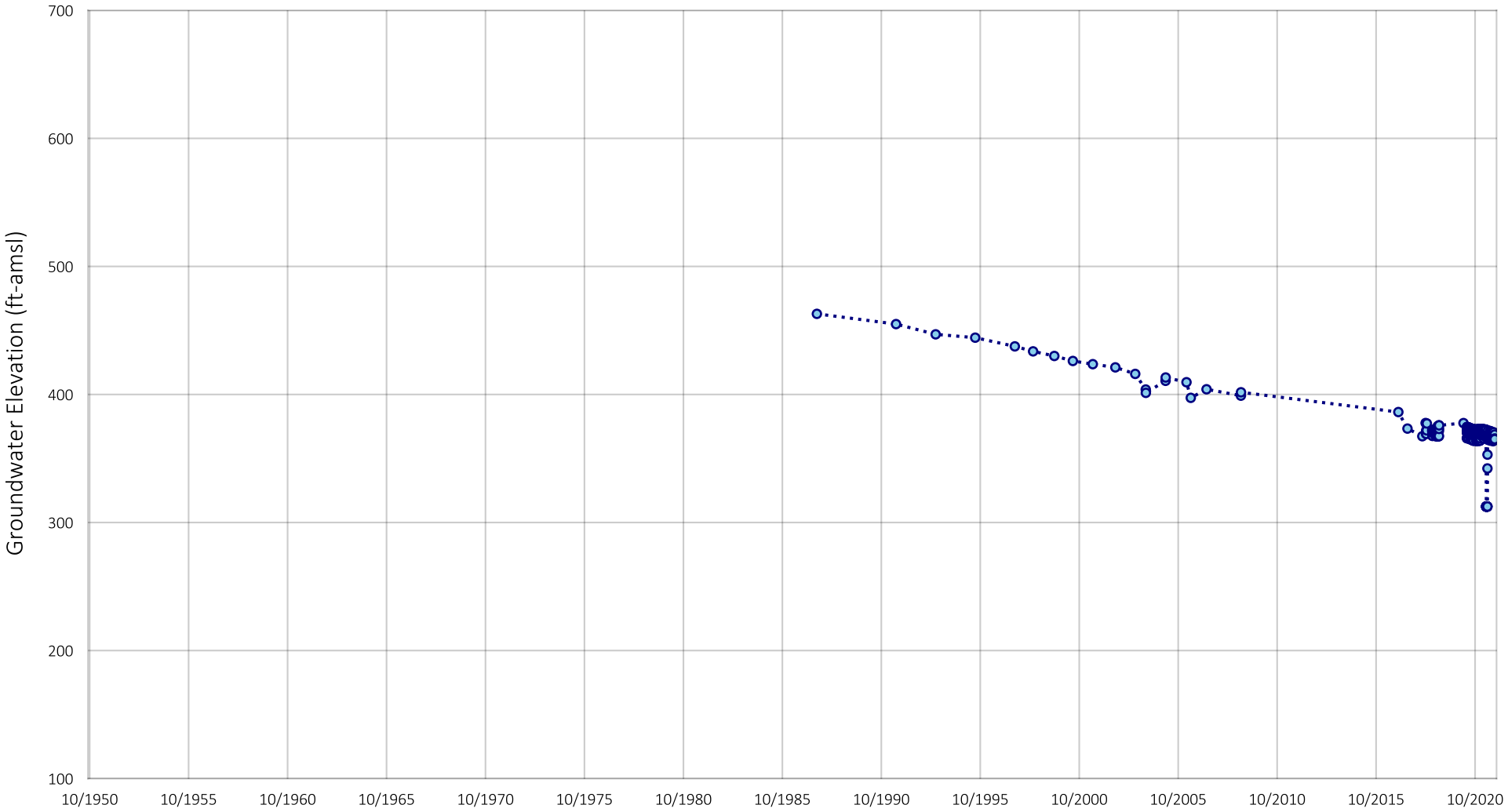
Location of Well in Borrego Springs

Prepared by:

WEST YOST
Water. Engineered.

Historical Groundwater Level Elevation
BSWM ID: 1245869
Well Name: Fortiner #1 (Allegre 1)
State Well ID: 010S006E09N001S

Figure E-2



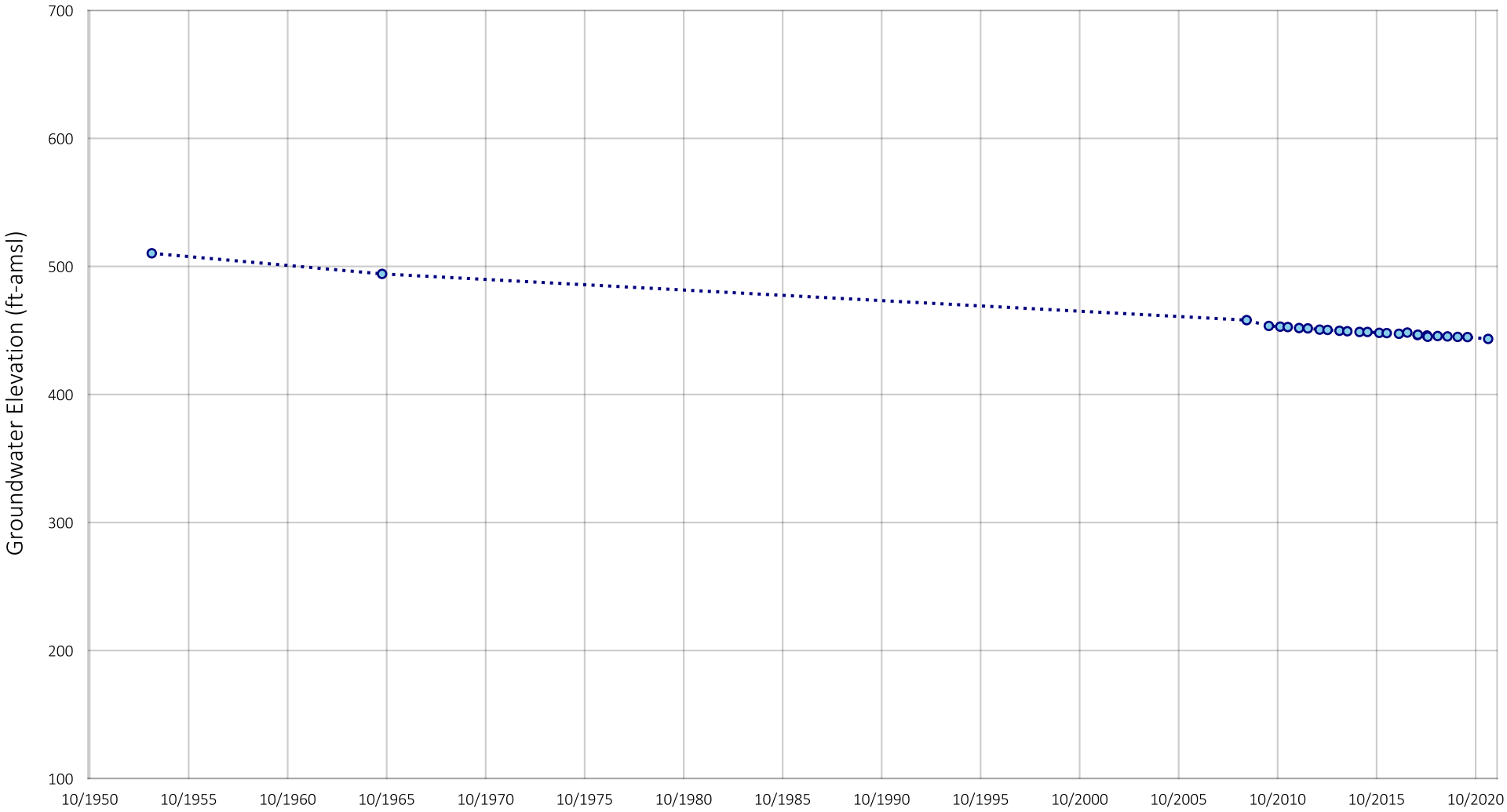
Location of Well in Borrego Springs

Prepared by:

WEST YOST
Water. Engineered.

Historical Groundwater Level Elevation
BSWM ID: 1245886
Well Name: ID4-18
State Well ID: 010S006E18J001S

Figure E-3



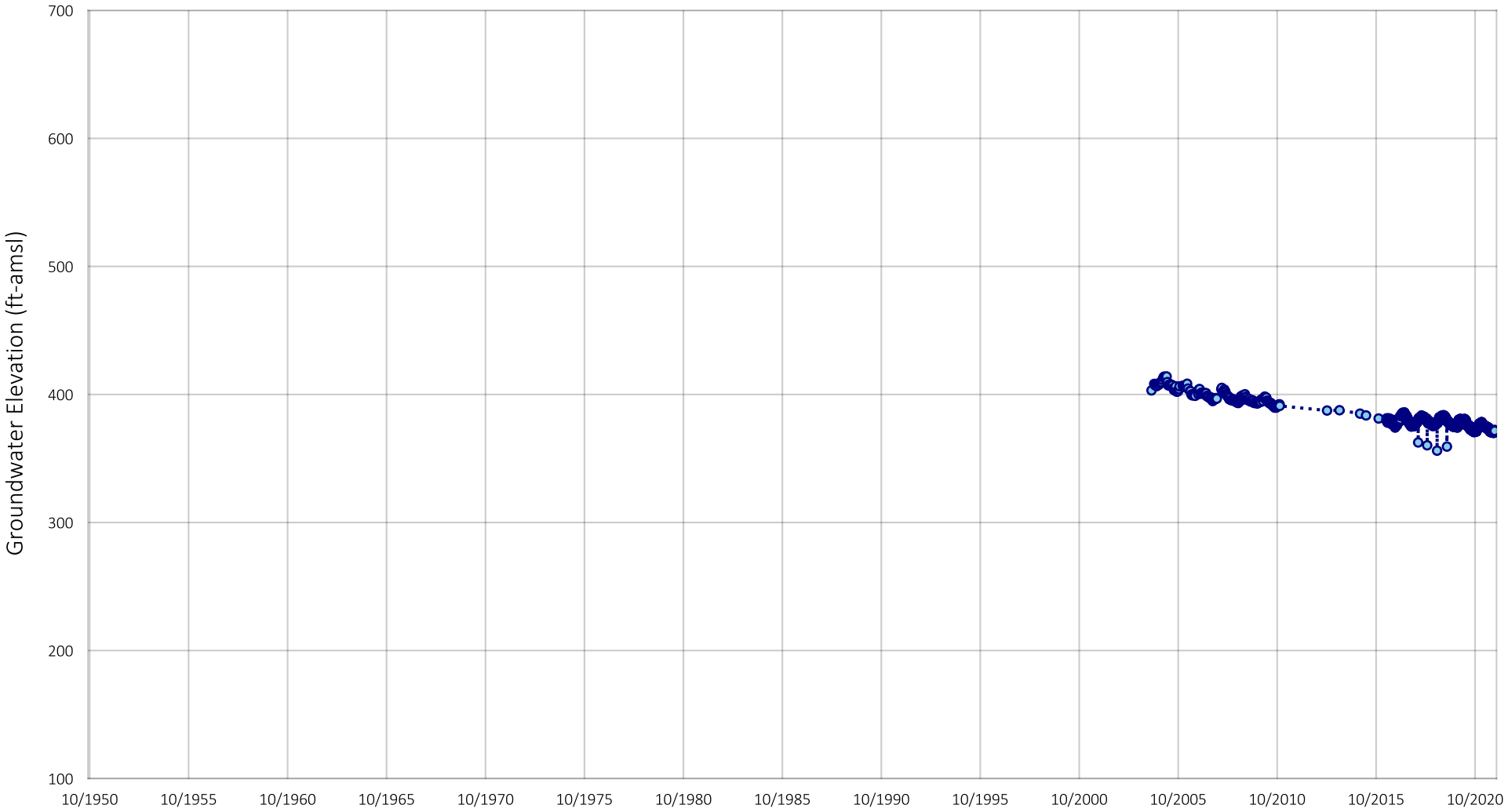
Location of Well in Borrego Springs

Prepared by:

WEST YOST
Water. Engineered.

Historical Groundwater Level Elevation
BSWM ID: 1245873
Well Name: Hanna (Flowers)
State Well ID: 010S006E14G001S

Figure E-4



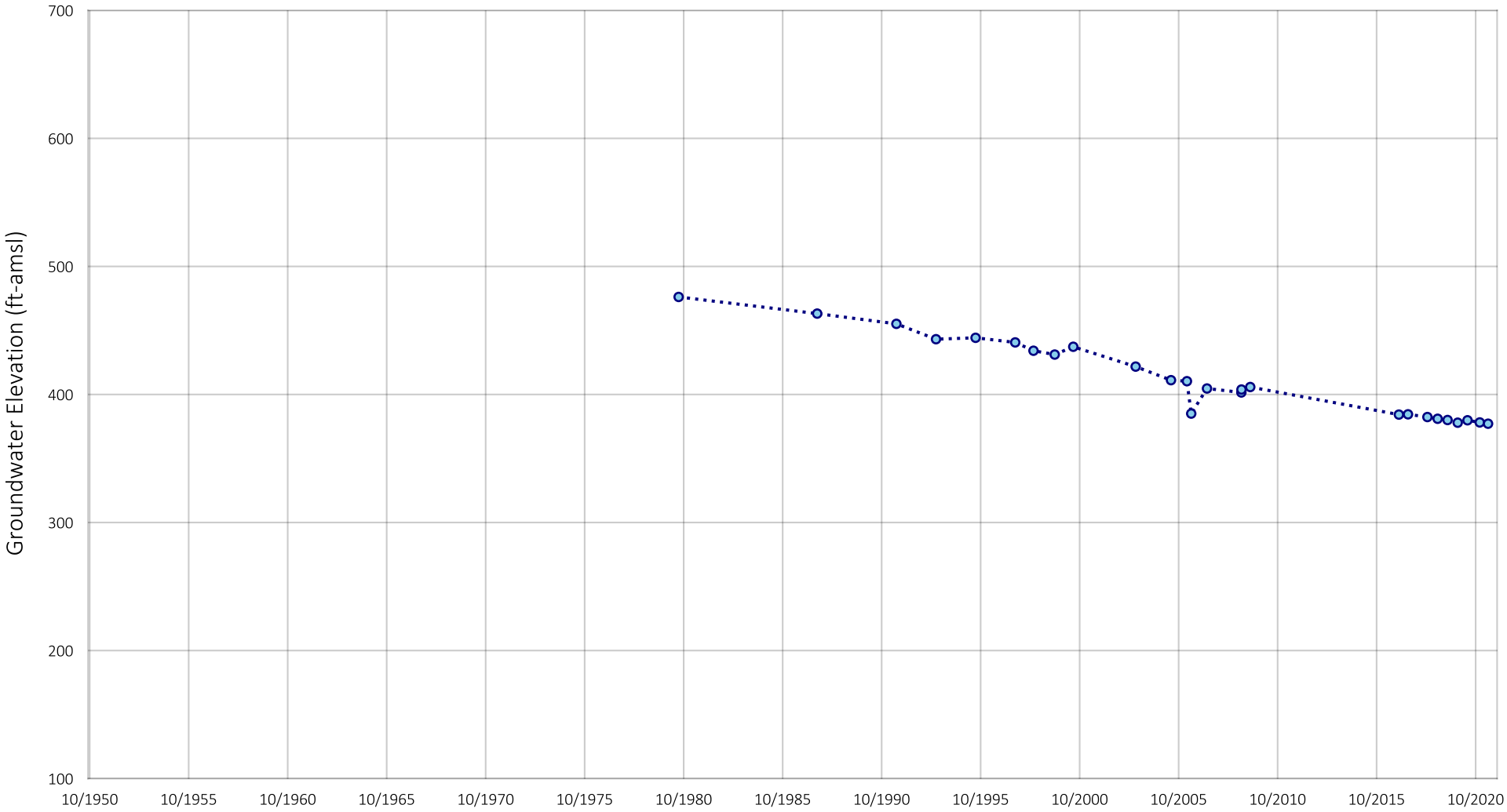
Location of Well in Borrego Springs

Prepared by:

WEST YOST
Water. Engineered.

Historical Groundwater Level Elevation
BSWM ID: 1245897
Well Name: MW-1
State Well ID: 010S006E21A002S

Figure E-5



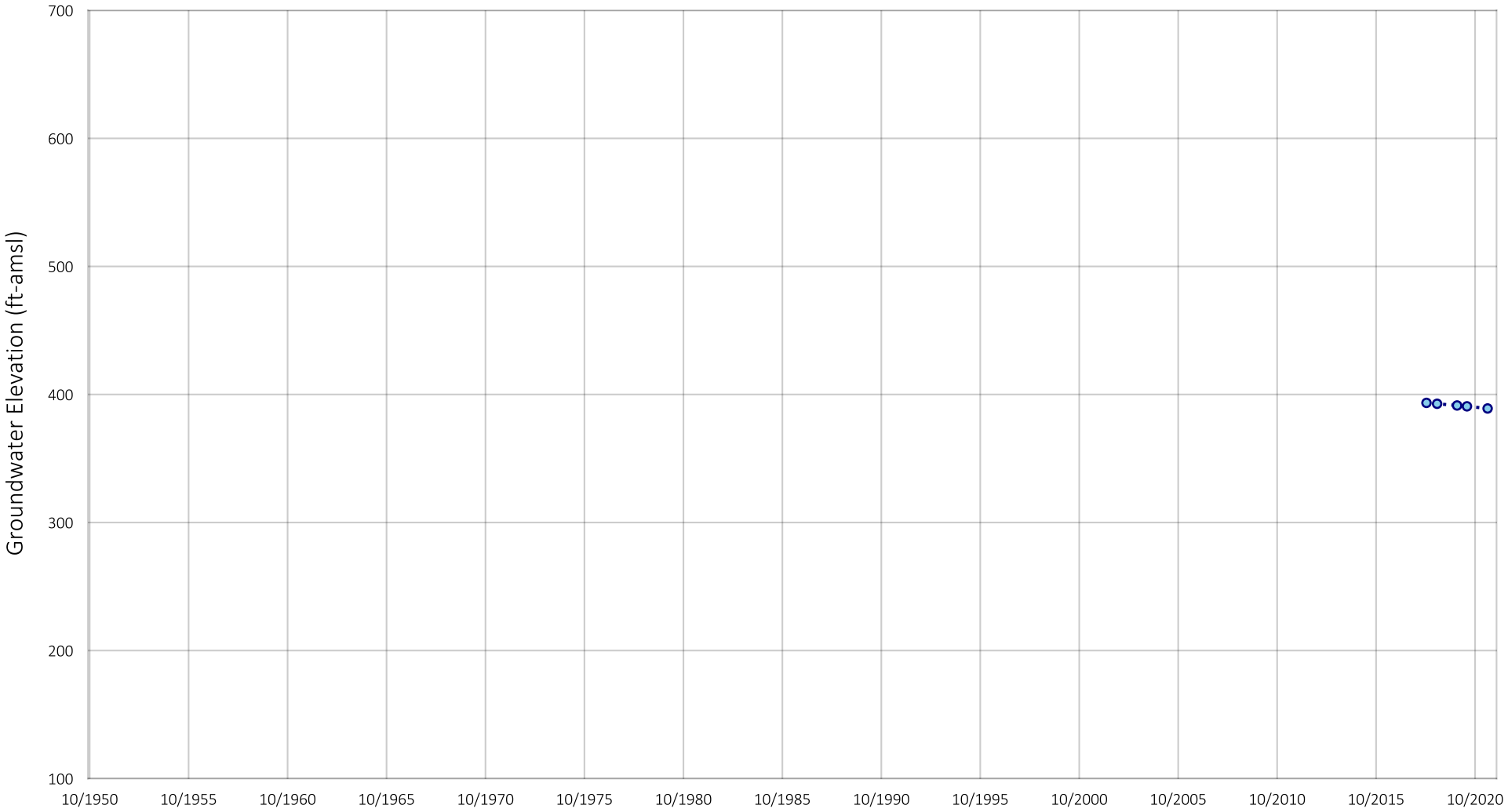
Location of Well in Borrego Springs

Prepared by:

WEST YOST
Water. Engineered.

Historical Groundwater Level Elevation
BSWM ID: 1245888
Well Name: ID4-3
State Well ID: 010S006E18R001S

Figure E-6



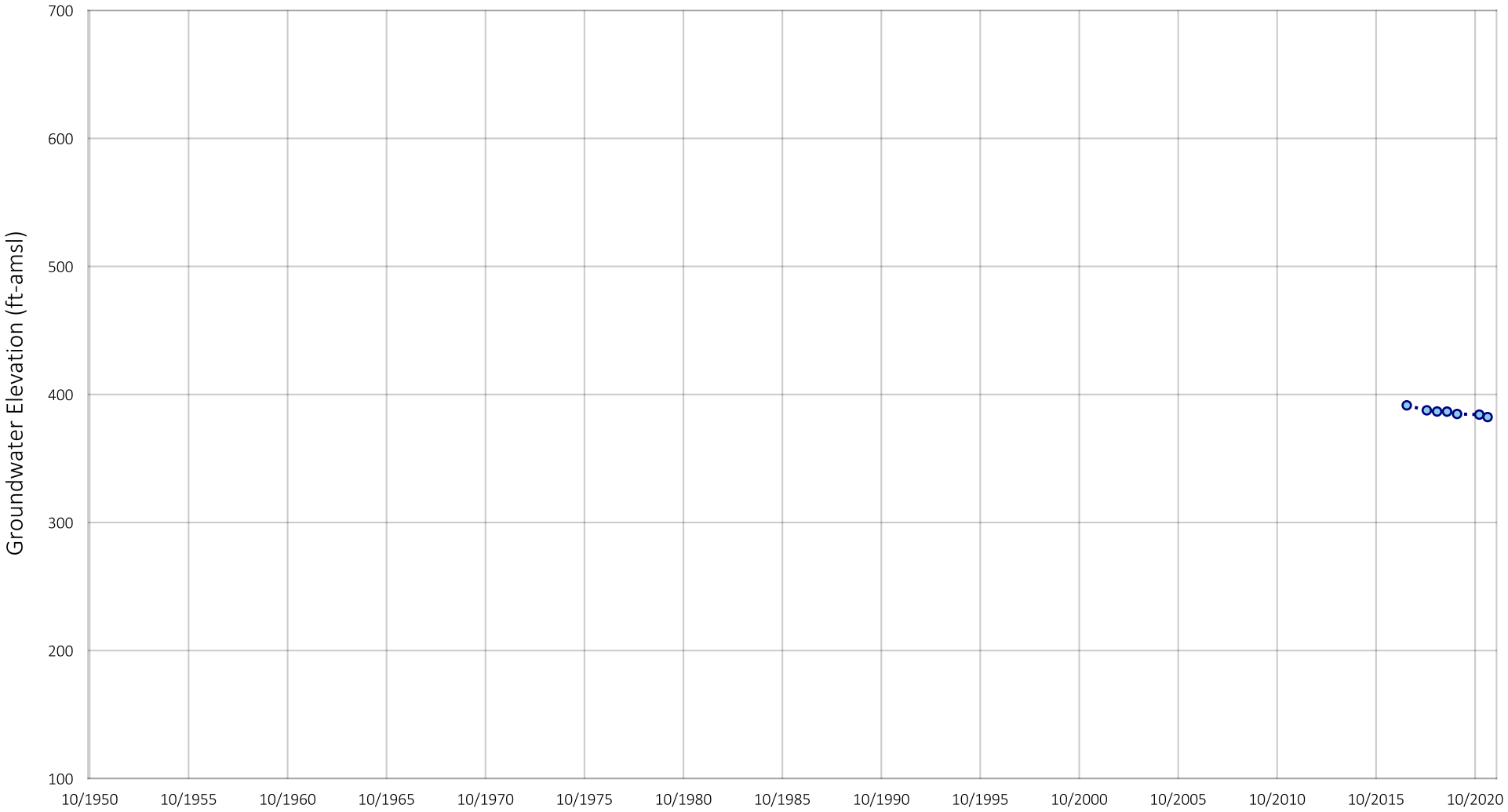
Location of Well in Borrego Springs

Prepared by:

WEST YOST
Water. Engineered.

Historical Groundwater Level Elevation
BSWM ID: 1245868
Well Name: Evans
State Well ID: 010S006E21E001S

Figure E-7



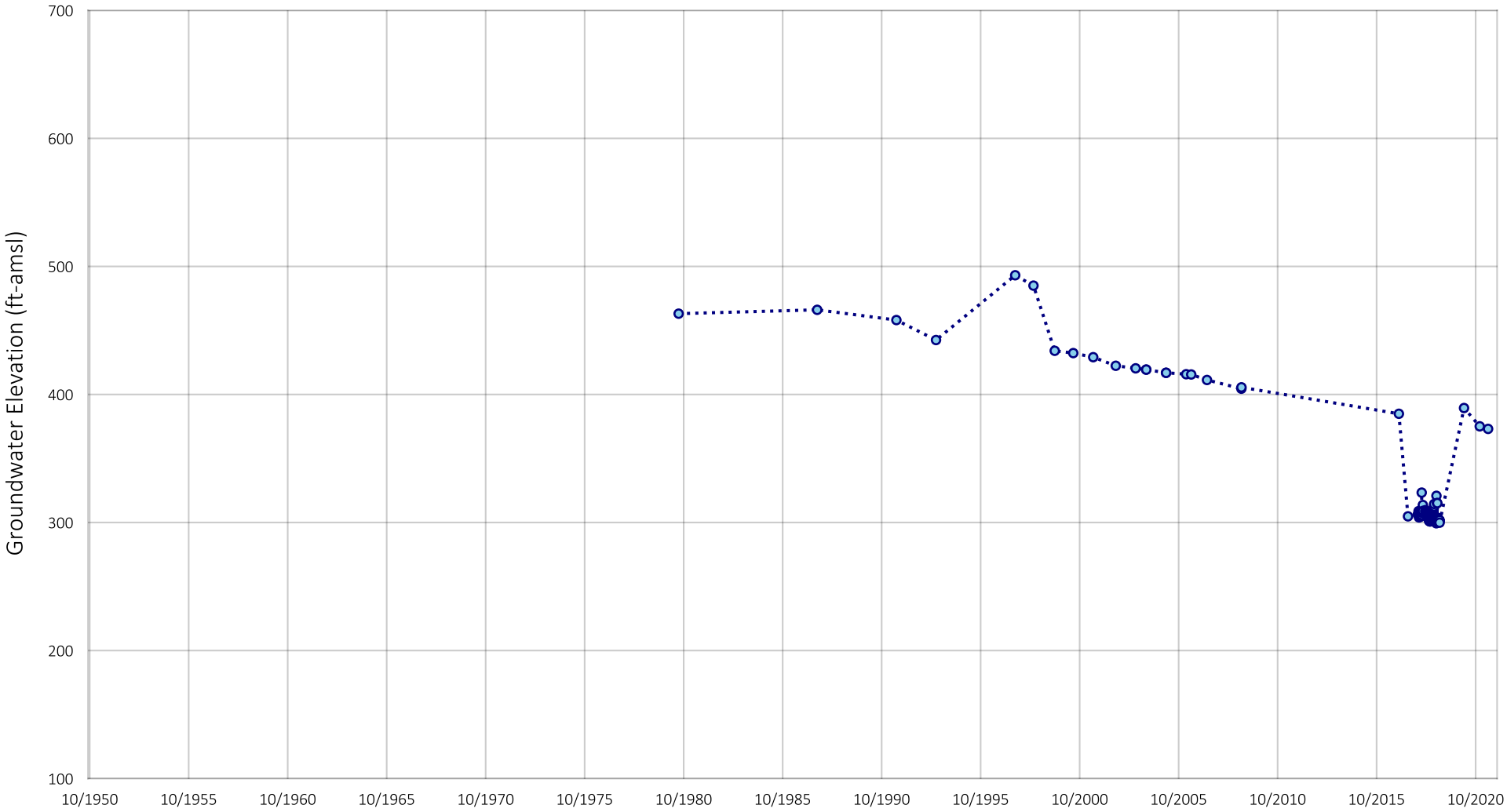
Location of Well in Borrego Springs

Prepared by:

WEST YOST
Water. Engineered.

Historical Groundwater Level Elevation
BSWM ID: 1245930
Well Name: White Well
State Well ID: 010S006E29A001S

Figure E-8



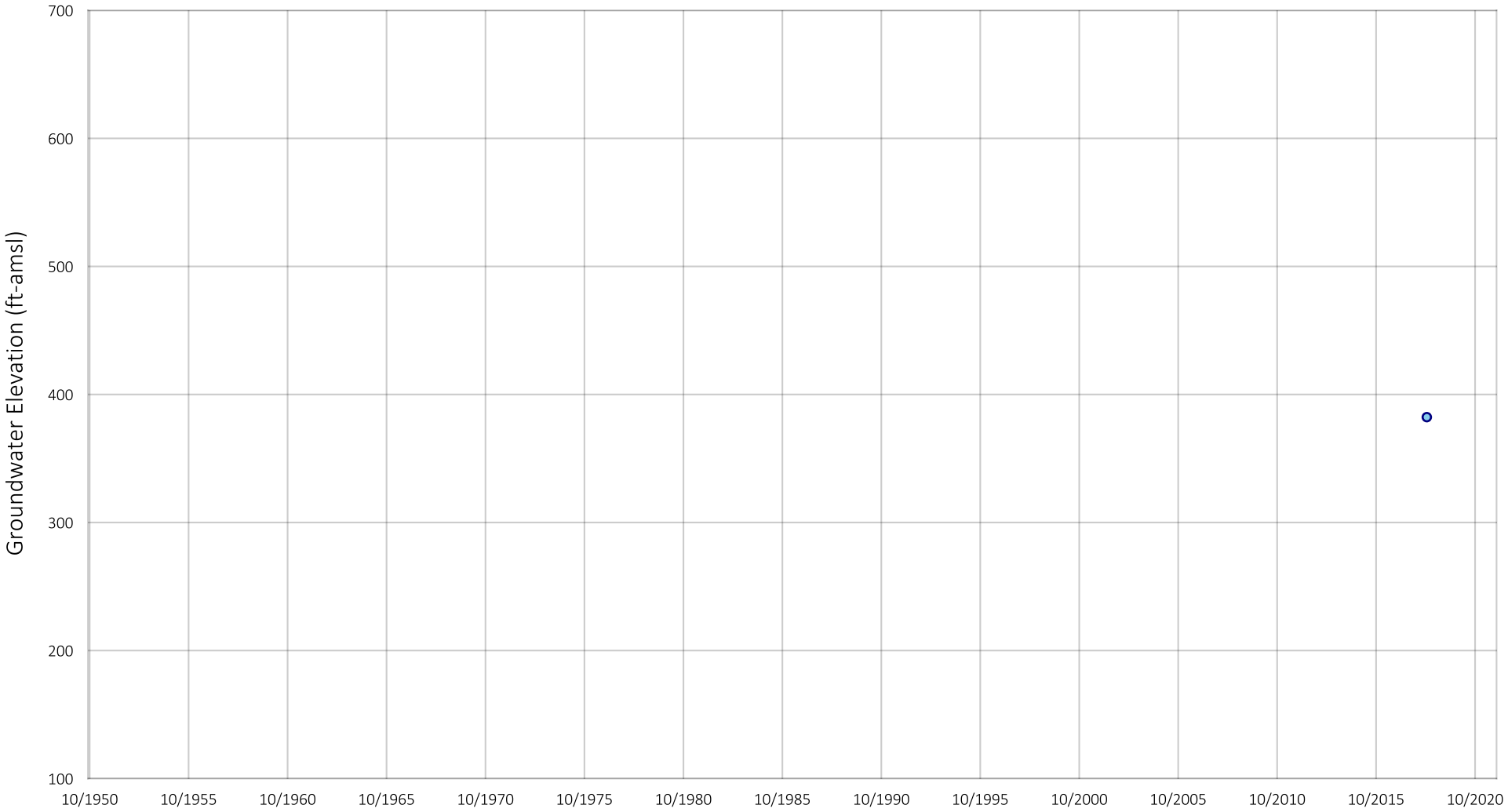
Location of Well in Borrego Springs

Prepared by:

WEST YOST
Water. Engineered.

Historical Groundwater Level Elevation
BSWM ID: 1245889
Well Name: ID4-4
State Well ID: 010S006E29K002S

Figure E-9



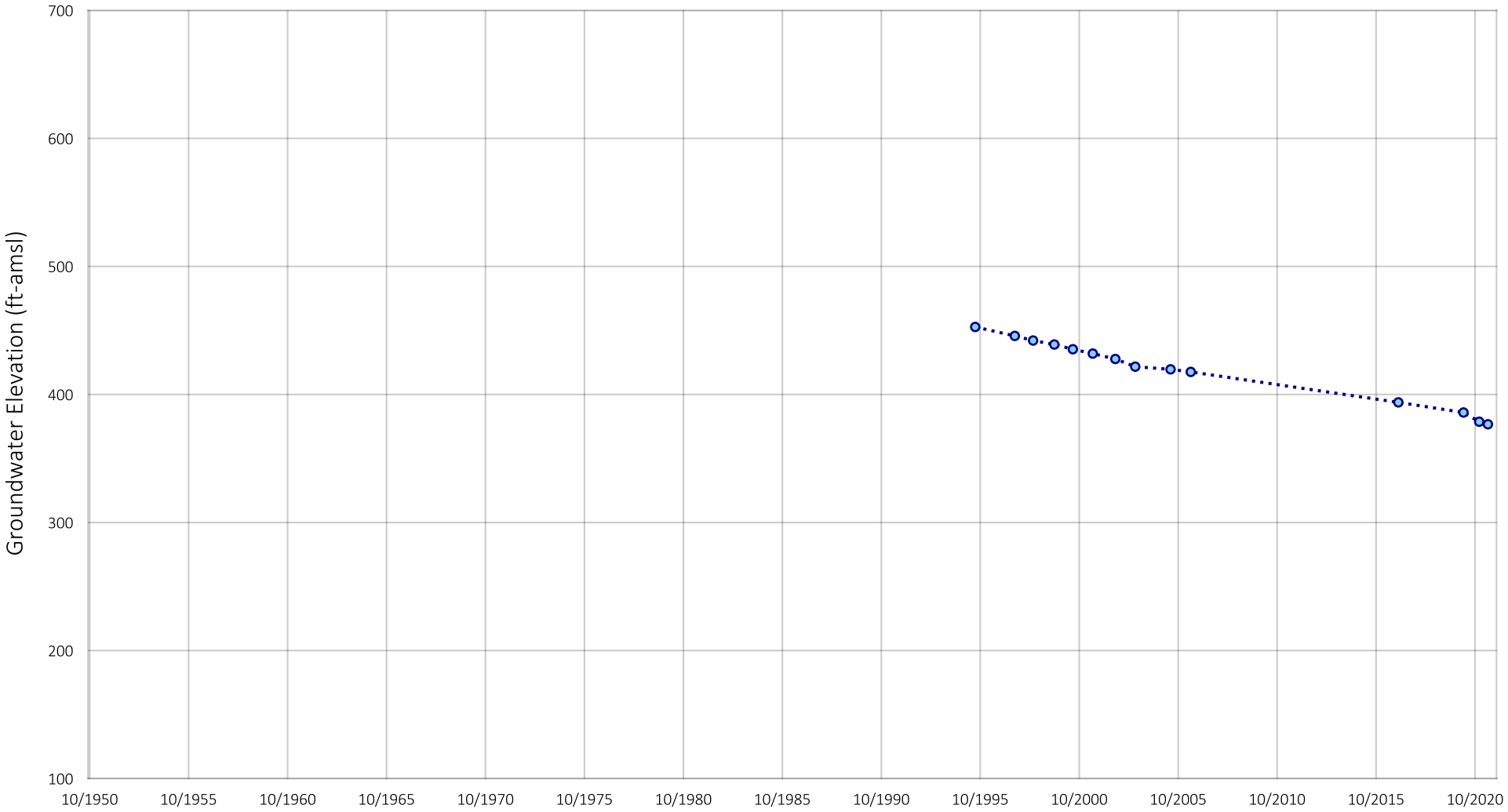
Location of Well in Borrego Springs

Prepared by:

WEST YOST
Water. Engineered.

Historical Groundwater Level Elevation
BSWM ID: 1245924
Well Name: State Park Well 3
State Well ID: 010S005E25R002S

Figure E-10



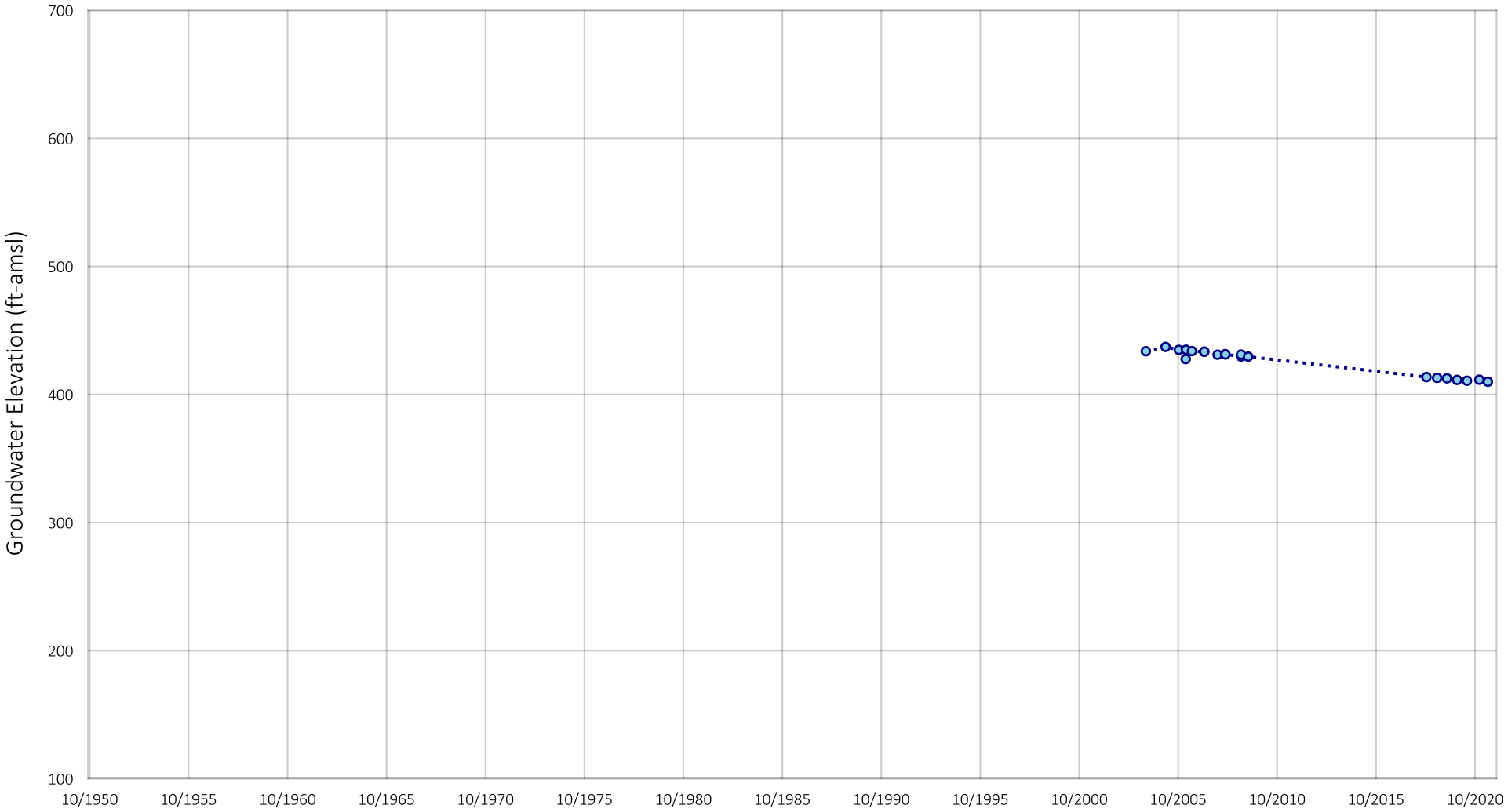
Location of Well in Borrego Springs

Prepared by:

WEST YOST
Water. Engineered.

Historical Groundwater Level Elevation
BSWM ID: 1245885
Well Name: ID4-11
State Well ID: 010S006E32D001S

Figure E-11



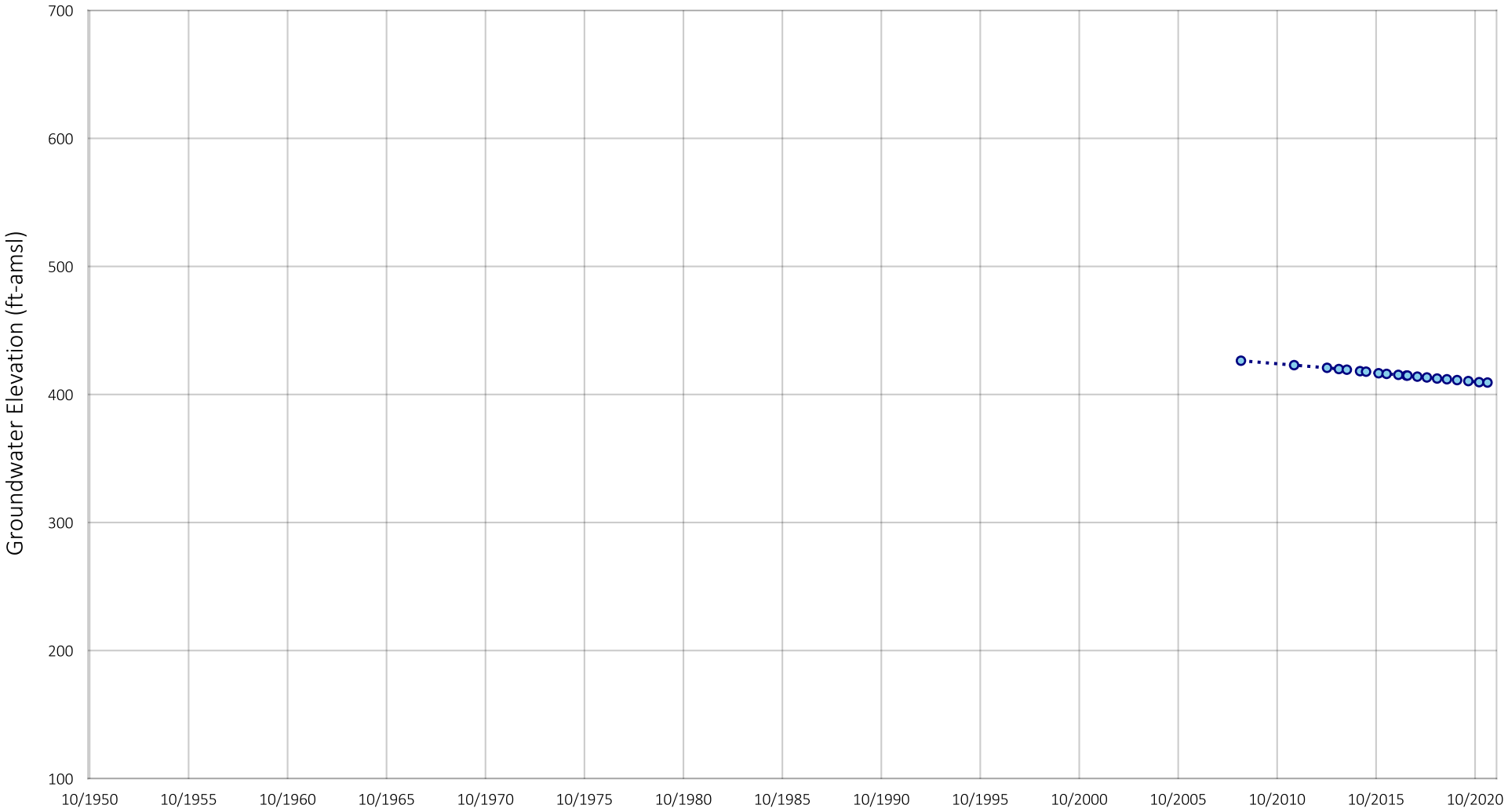
Location of Well in Borrego Springs

Prepared by:

WEST YOST
Water. Engineered.

Historical Groundwater Level Elevation
BSWM ID: 1245904
Well Name: Palleson
State Well ID: 010S006E33J001S

Figure E-12



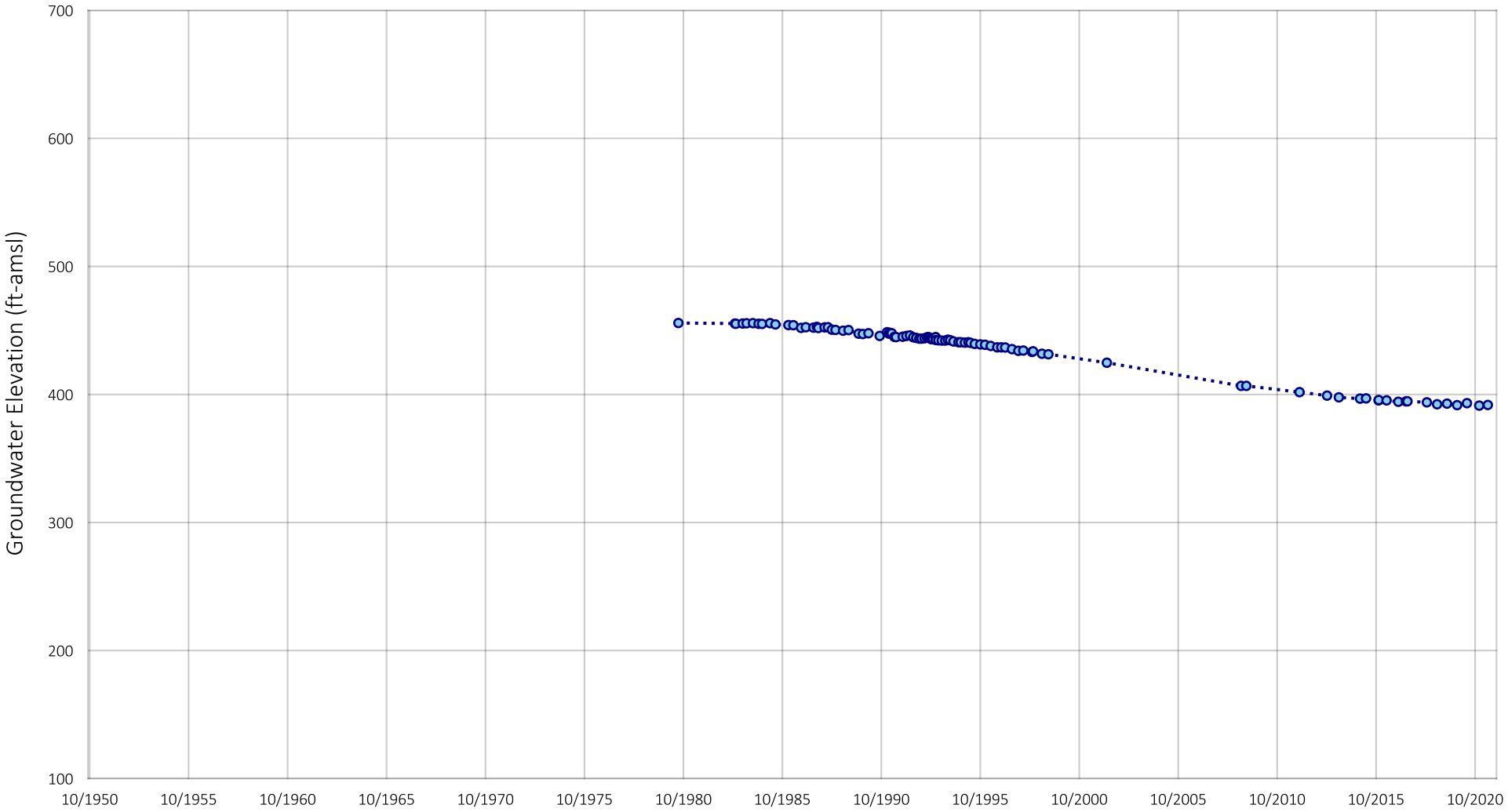
Location of Well in Borrego Springs

Prepared by:

WEST YOST
Water. Engineered.

Historical Groundwater Level Elevation
BSWM ID: 1245899
Well Name: MW-4
State Well ID: 010S006E35Q001S

Figure E-13



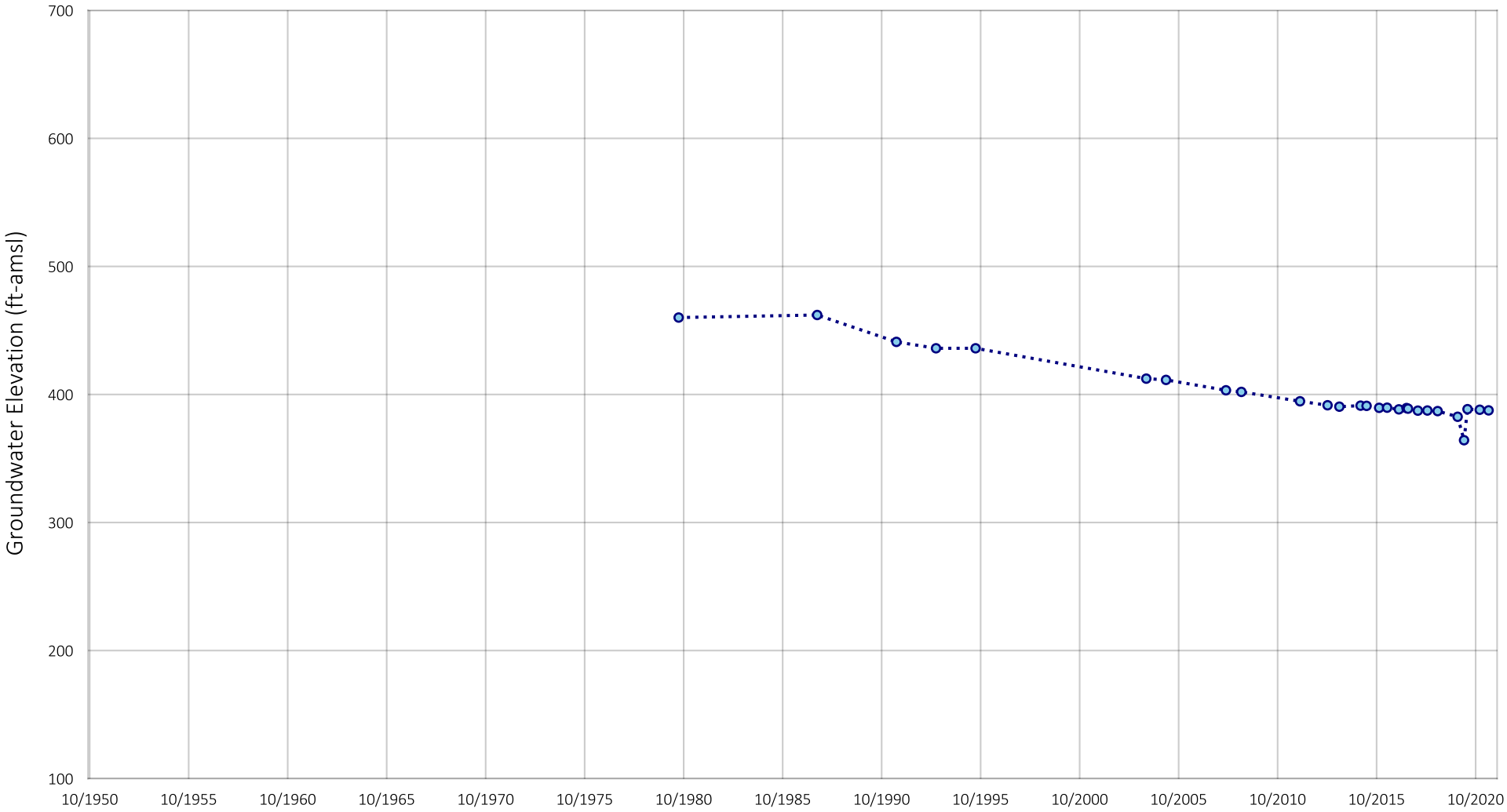
Location of Well in Borrego Springs

Prepared by:

WEST YOST
Water. Engineered.

Historical Groundwater Level Elevation
BSWM ID: 1245883
Well Name: ID4-1
State Well ID: 010S006E32R001S

Figure E-14



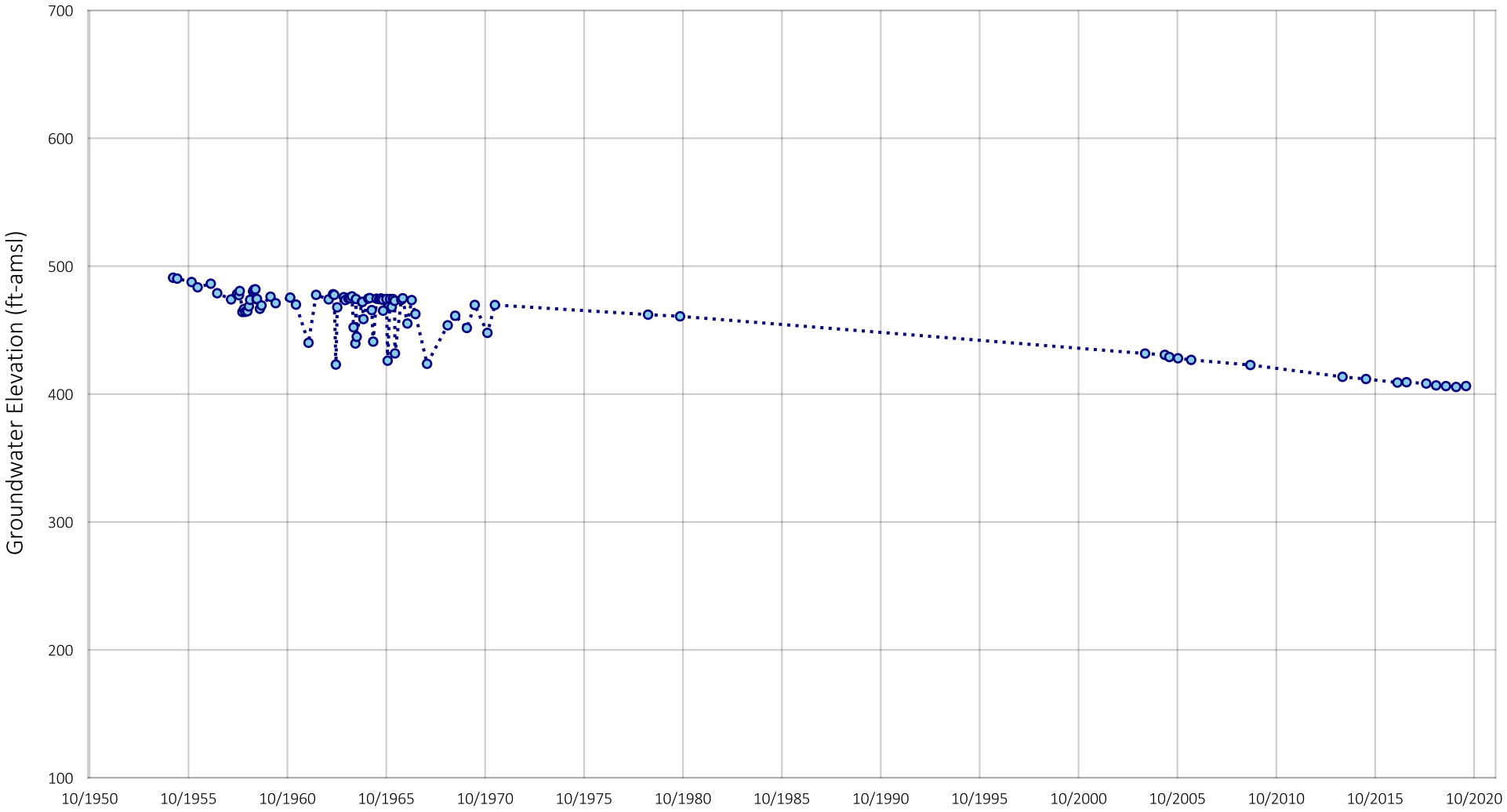
Location of Well in Borrego Springs

Prepared by:

WEST YOST
Water. Engineered.

Historical Groundwater Level Elevation
BSWM ID: 1245890
Well Name: ID4-5
State Well ID: 010S006E33Q001S

Figure E-15



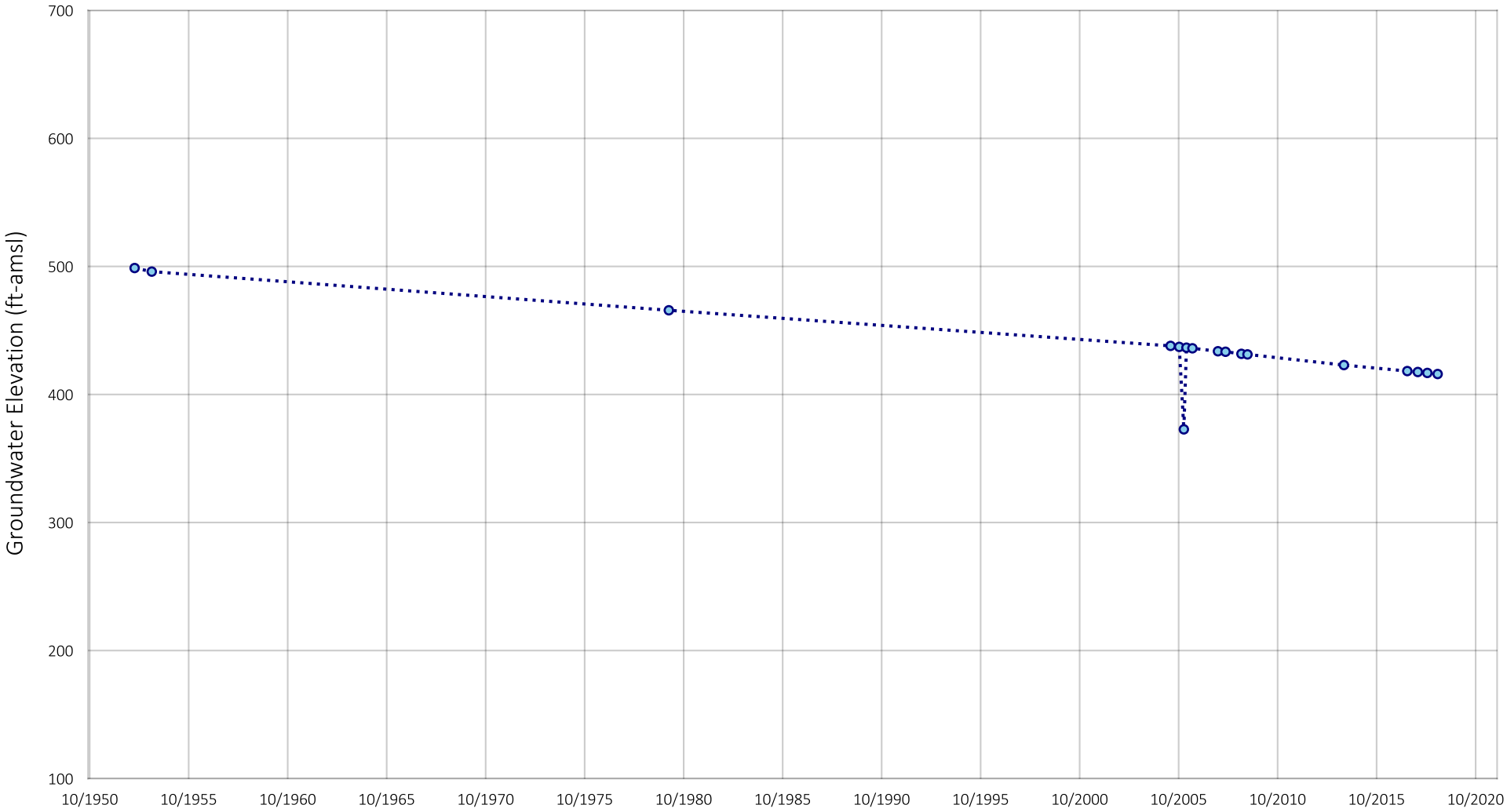
Location of Well in Borrego Springs

Prepared by:

WEST YOST
Water. Engineered.

Historical Groundwater Level Elevation
BSWM ID: 1245851
Well Name: Airport 2
State Well ID: 010S006E35N001S

Figure E-16



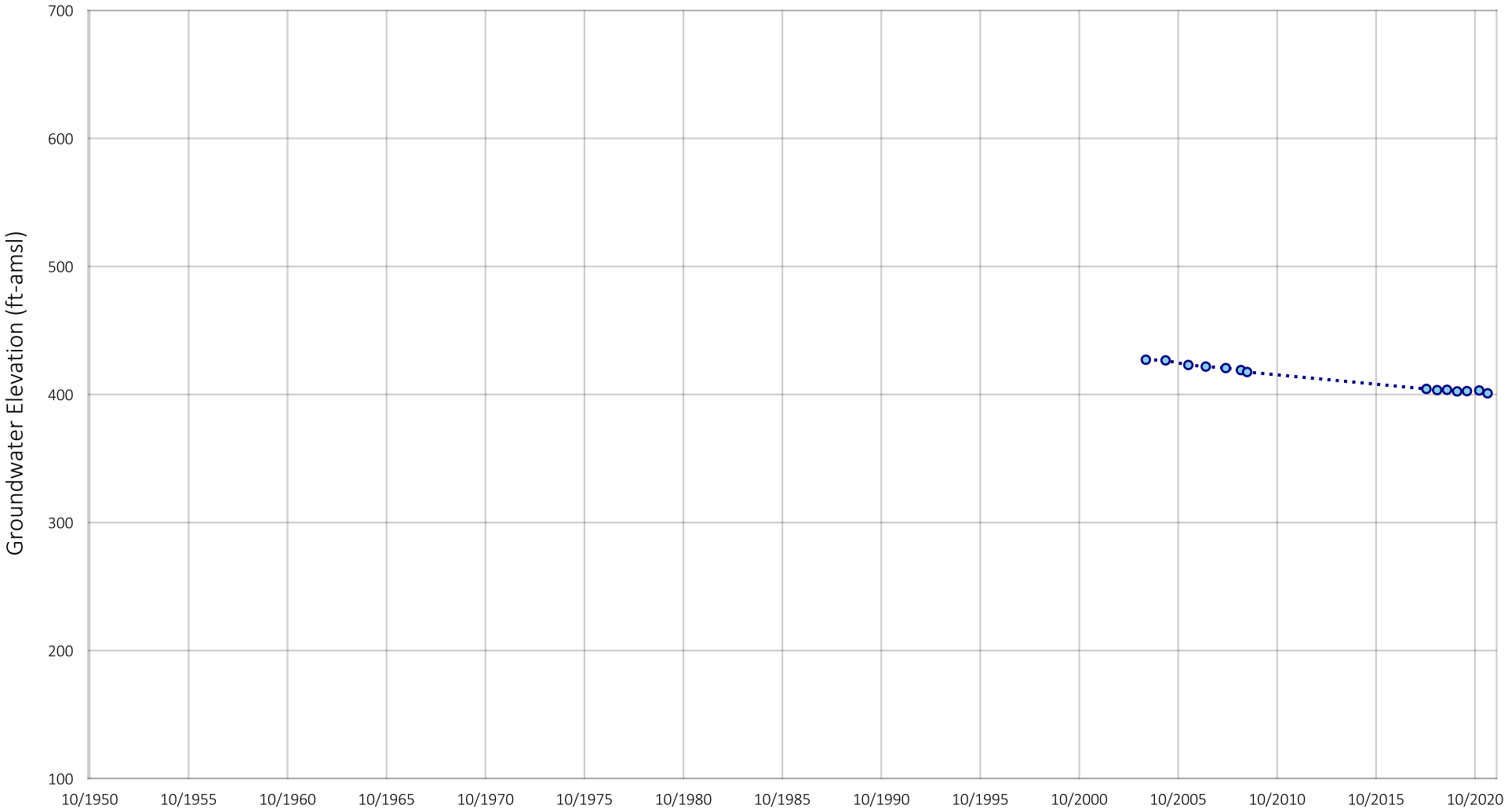
Location of Well in Borrego Springs

Prepared by:

WEST YOST
Water. Engineered.

Historical Groundwater Level Elevation
BSWM ID: 1245870
Well Name: Gabrych #2
State Well ID: 011S006E01C001S

Figure E-17



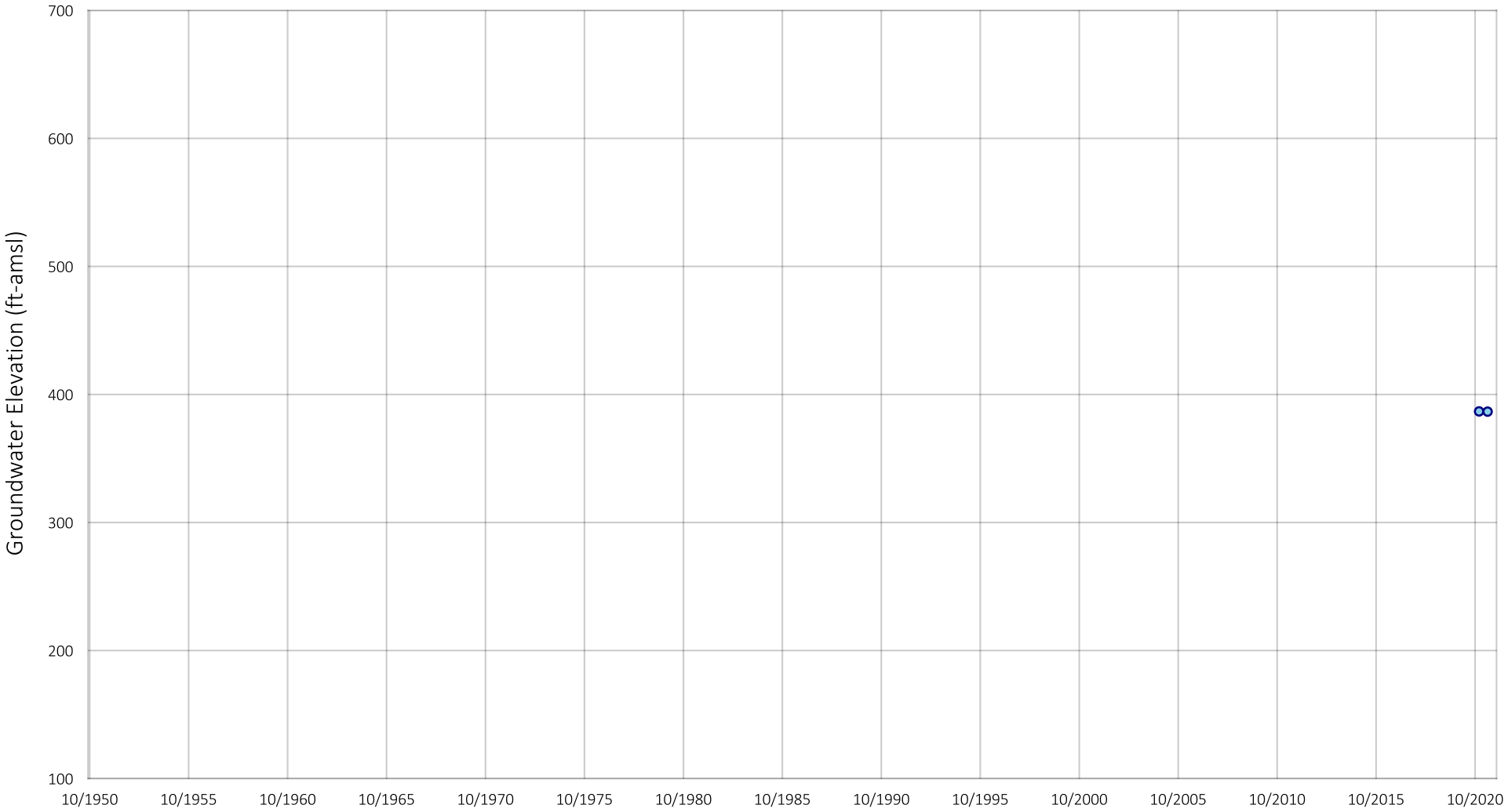
Location of Well in Borrego Springs

Prepared by:

WEST YOST
Water. Engineered.

Historical Groundwater Level Elevation
BSWM ID: 1245862
Well Name: Cameron 2
State Well ID: 011S006E04F001S

Figure E-18



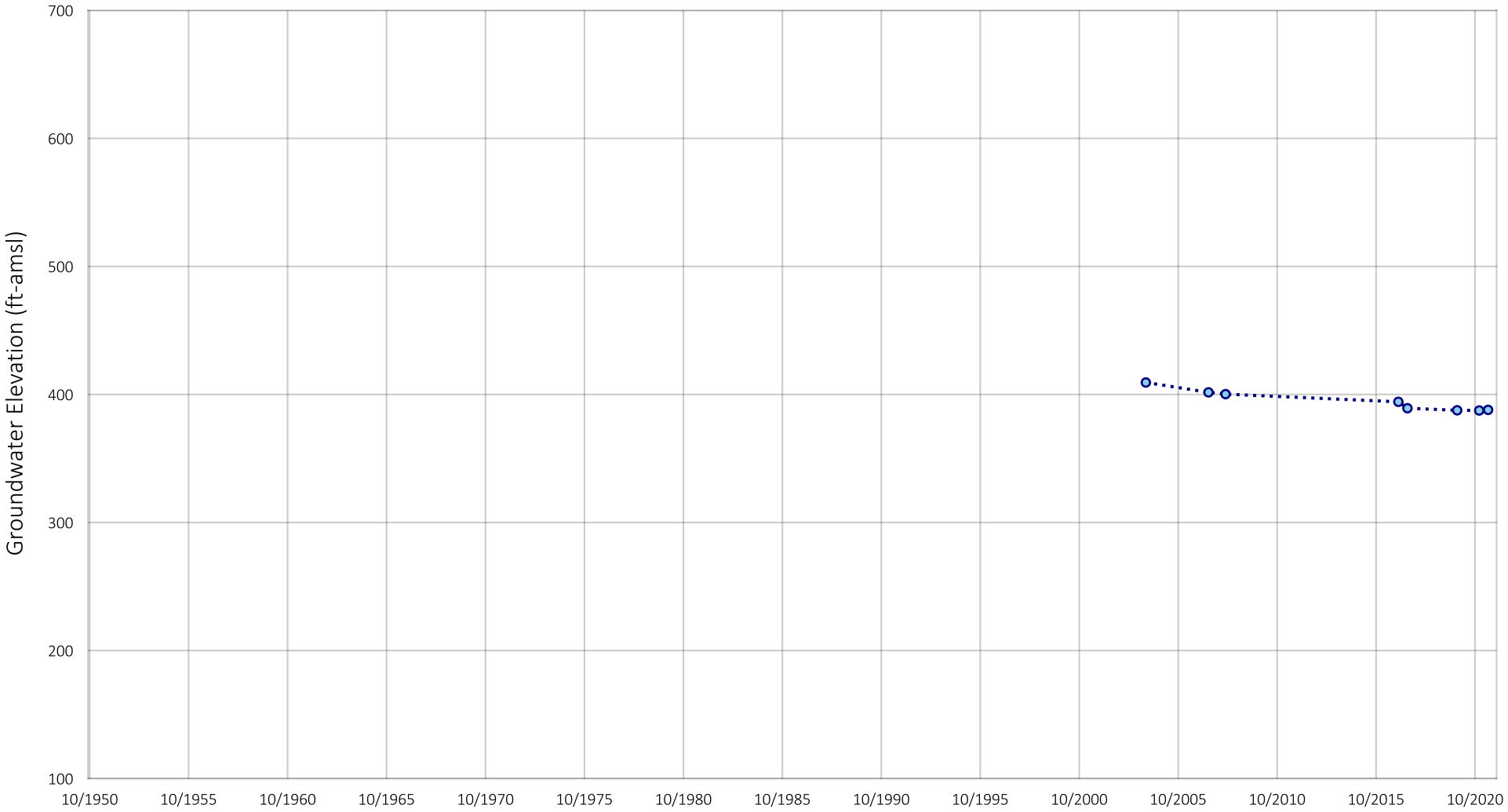
Location of Well in Borrego Springs

Prepared by:

WEST YOST
Water. Engineered.

Historical Groundwater Level Elevation
BSWM ID: 1245860
Well Name: BSR Well 6
State Well ID: 011S006E09B002S

Figure E-19



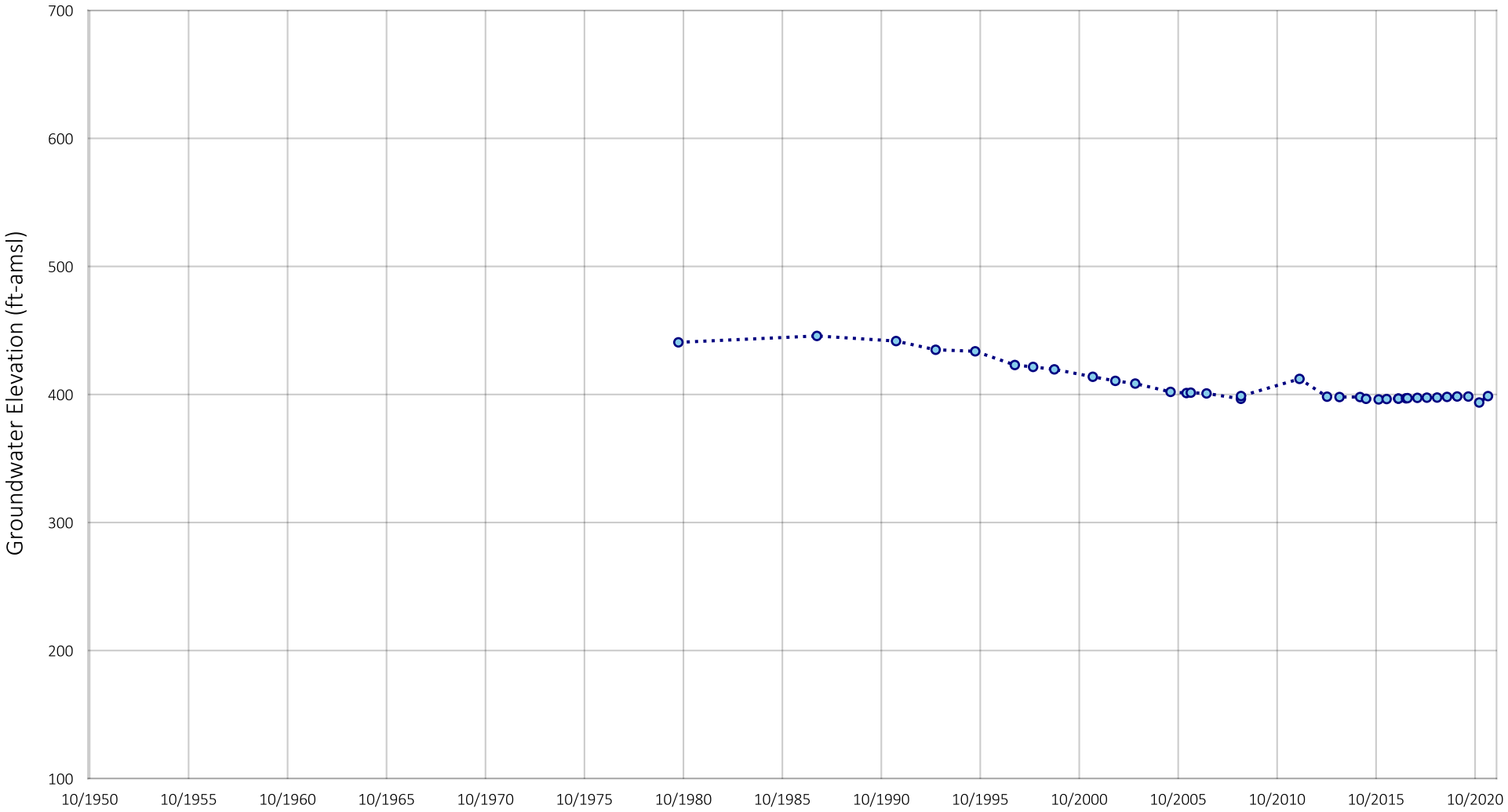
Location of Well in Borrego Springs

Prepared by:

WEST YOST
Water. Engineered.

Historical Groundwater Level Elevation
BSWM ID: 1245893
Well Name: ID5-5
State Well ID: 011S006E09E001S

Figure E-20



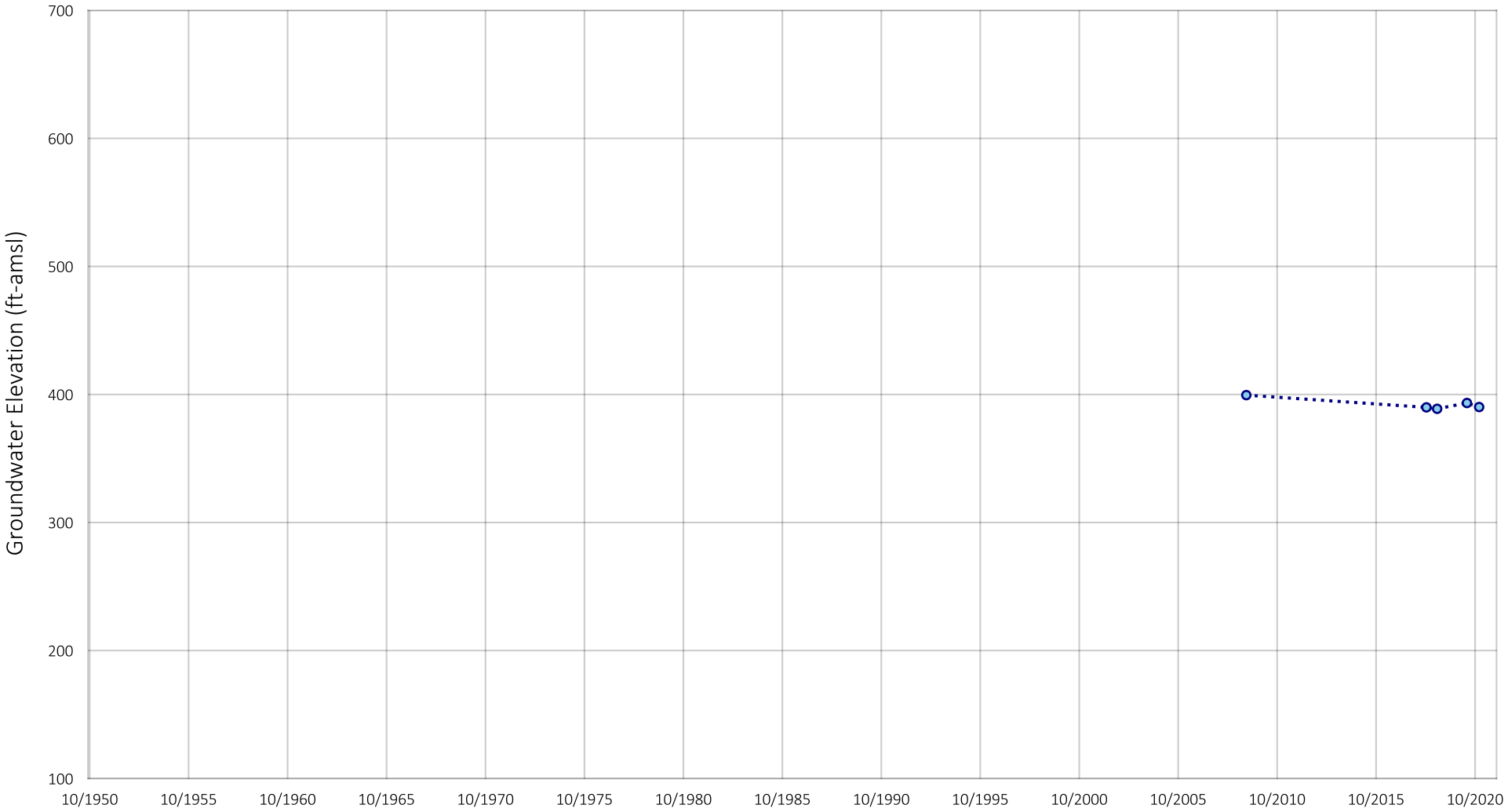
Location of Well in Borrego Springs

Prepared by:

WEST YOST
Water. Engineered.

Historical Groundwater Level Elevation
BSWM ID: 1245887
Well Name: ID4-2
State Well ID: 011S006E07K003S

Figure E-21



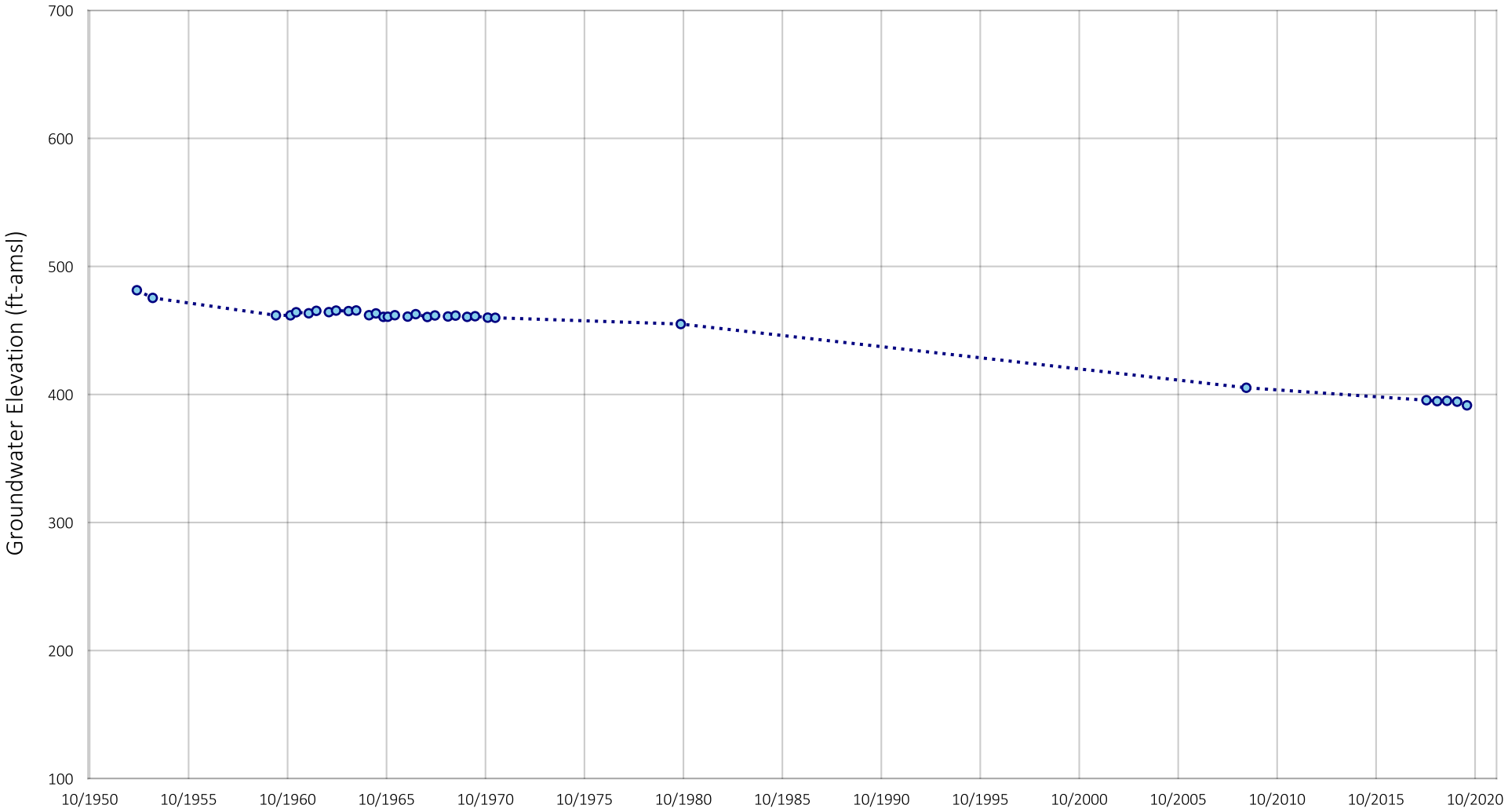
Location of Well in Borrego Springs

Prepared by:

WEST YOST
Water. Engineered.

Historical Groundwater Level Elevation
BSWM ID: 1245850
Well Name: Abandoned Motel-2
State Well ID: 011S006E10N004S

Figure E-22



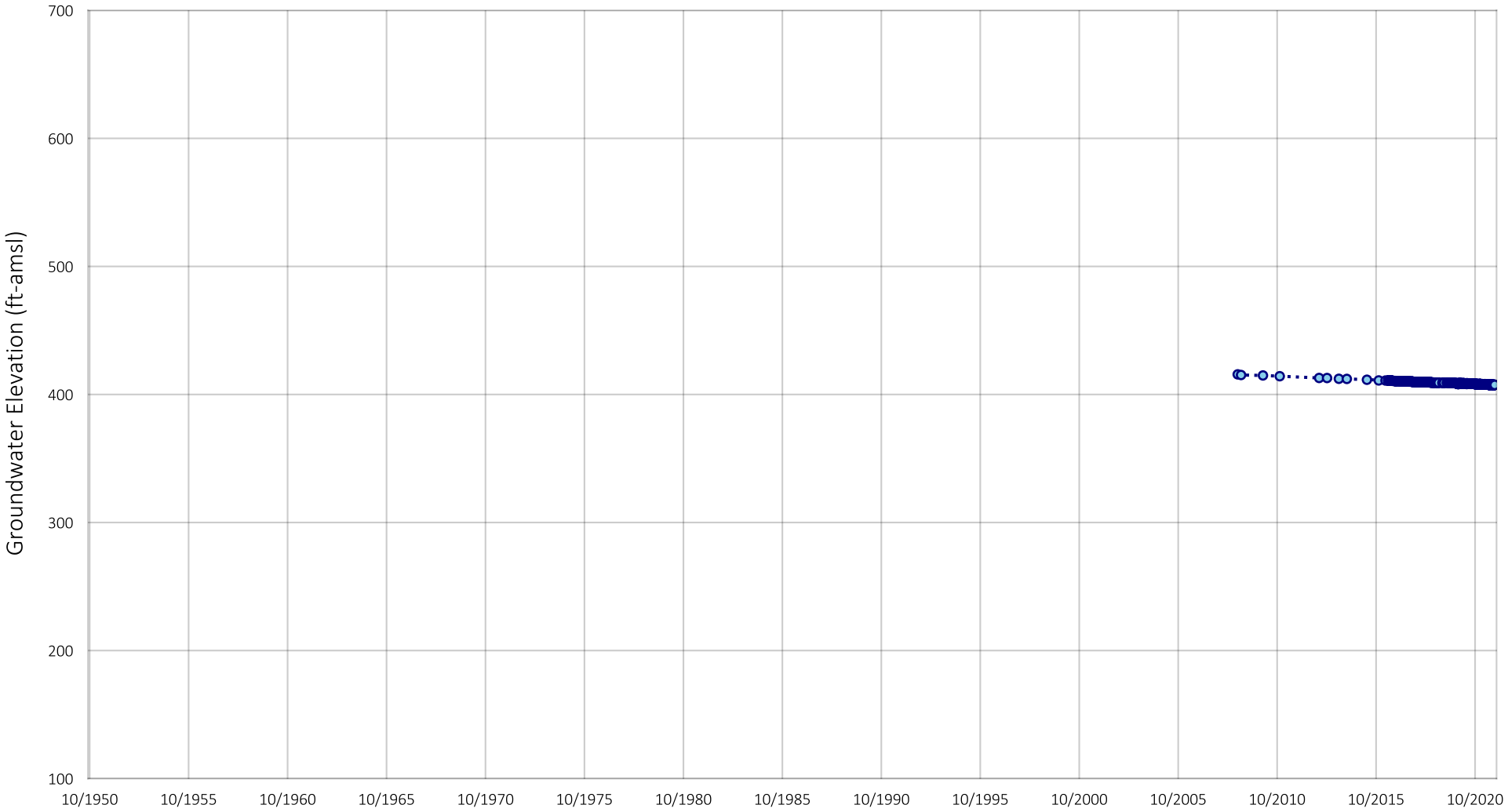
Location of Well in Borrego Springs

Prepared by:

WEST YOST
Water. Engineered.

Historical Groundwater Level Elevation
BSWM ID: 1245849
Well Name: Abandoned Motel-1
State Well ID: 011S006E10N001S

Figure E-23



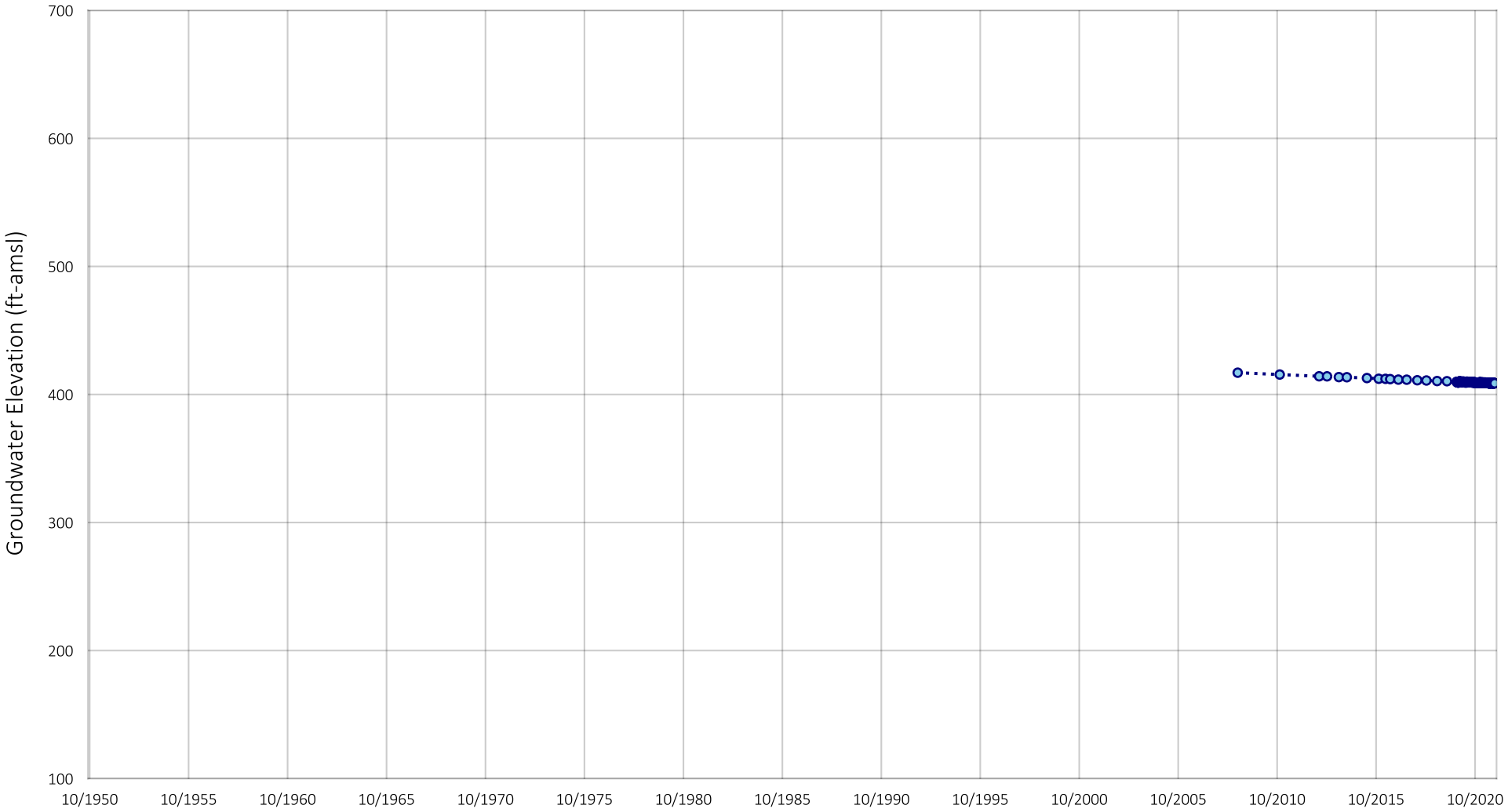
Location of Well in Borrego Springs

Prepared by:

WEST YOST
Water. Engineered.

Historical Groundwater Level Elevation
BSWM ID: 1245901
Well Name: MW-5B (West-Upper)
State Well ID: 011S007E07R002S

Figure E-24



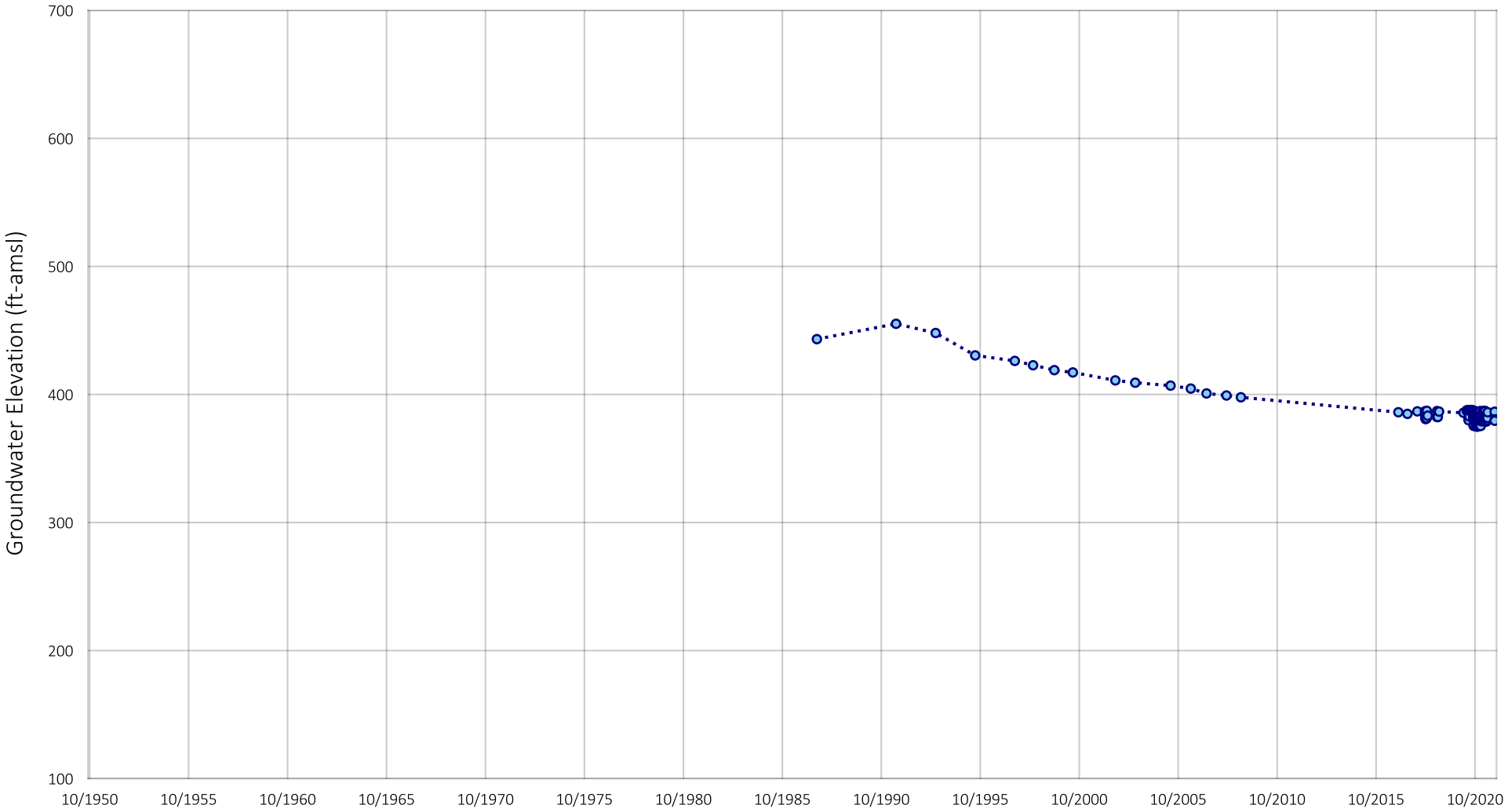
Location of Well in Borrego Springs

Prepared by:

WEST YOST
Water. Engineered.

Historical Groundwater Level Elevation
BSWM ID: 1245900
Well Name: MW-5A (East-Lower)
State Well ID: 011S007E07R001S

Figure E-25



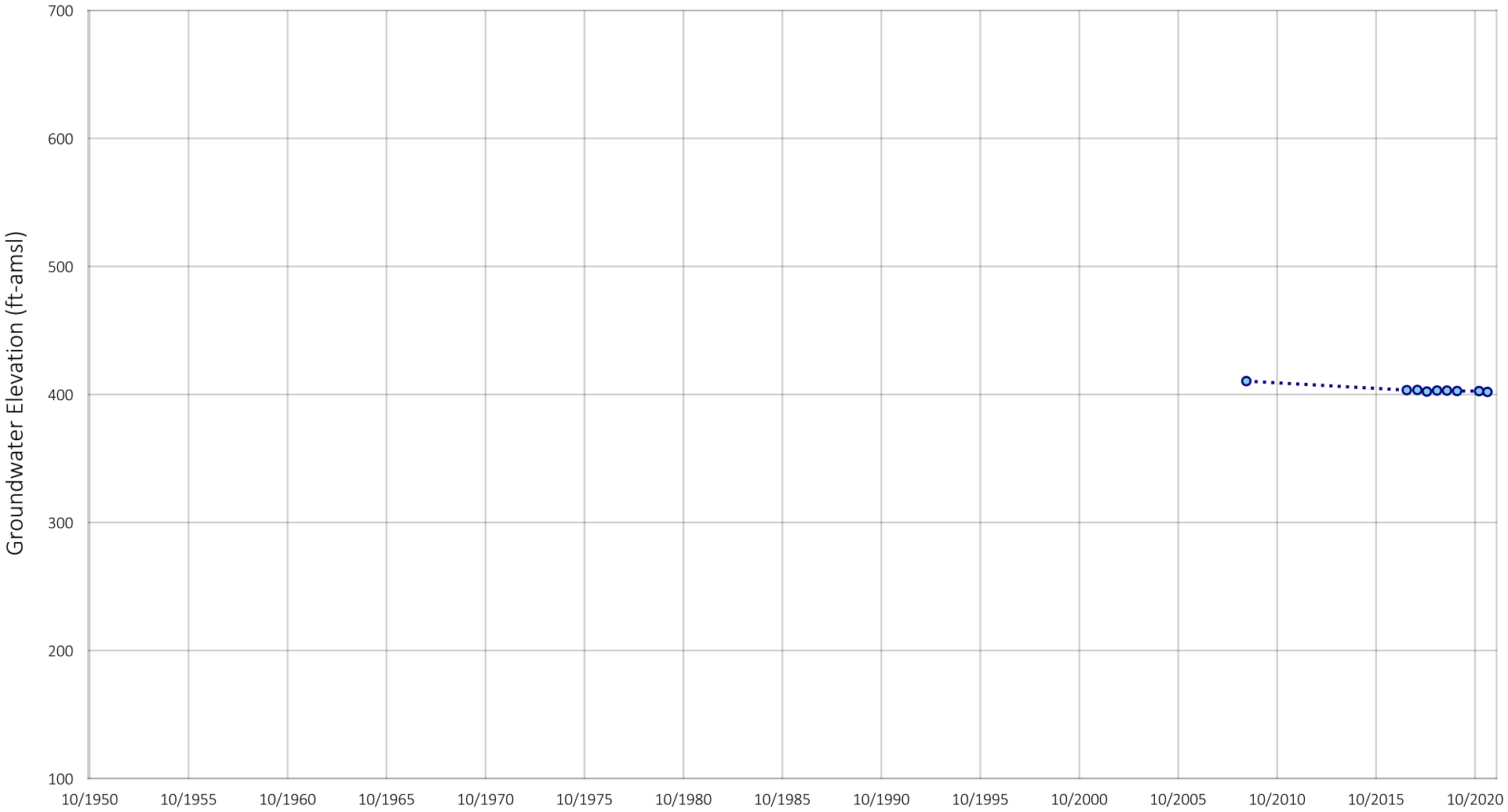
Location of Well in Borrego Springs

Prepared by:

WEST YOST
Water. Engineered.

Historical Groundwater Level Elevation
BSWM ID: 1245879
Well Name: ID1-12
State Well ID: 011S006E16A002S

Figure E-26



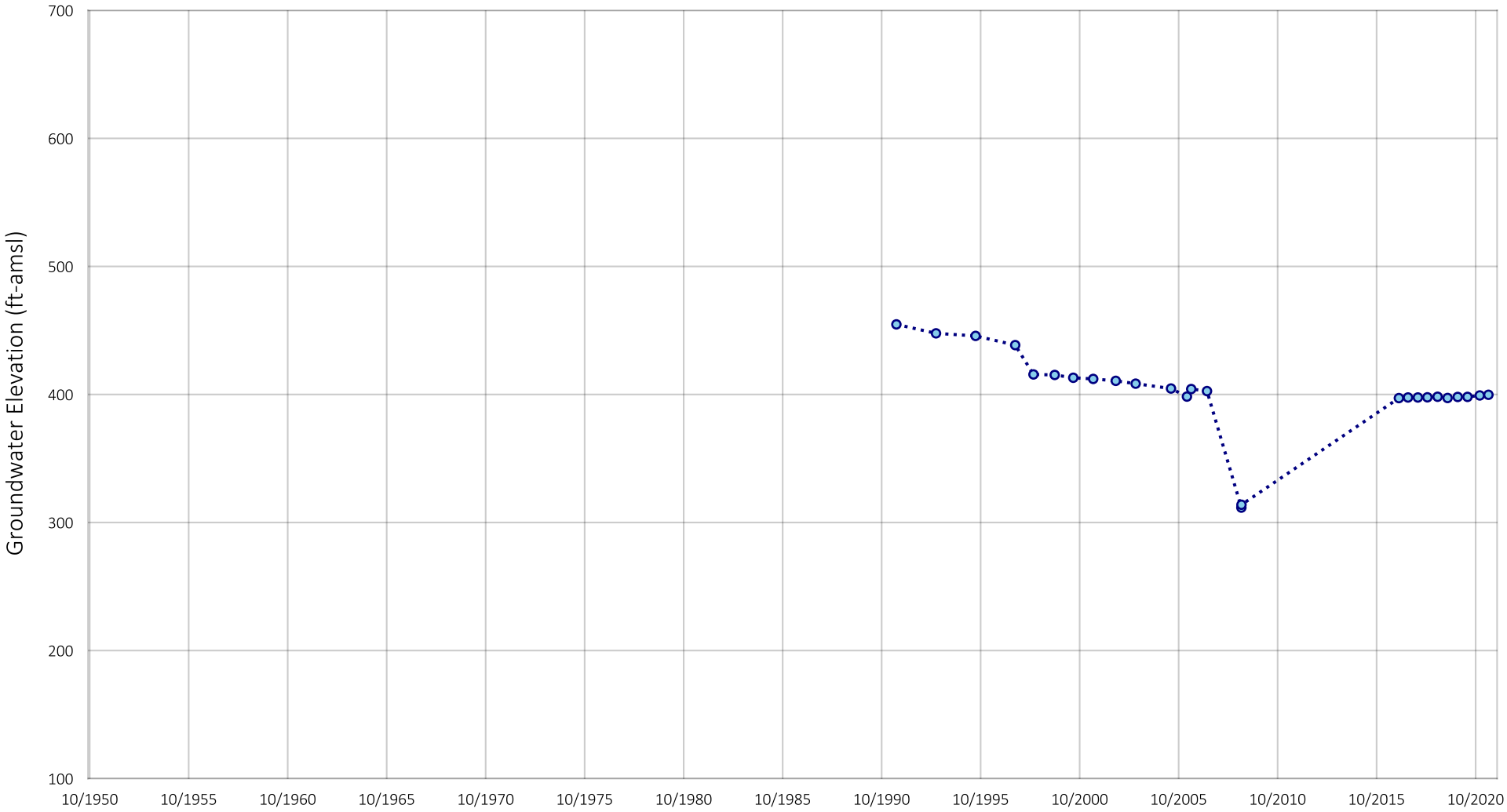
Location of Well in Borrego Springs

Prepared by:

WEST YOST
Water. Engineered.

Historical Groundwater Level Elevation
BSWM ID: 1245865
Well Name: County Yard (SD DOT)
State Well ID: 011S006E15G001S

Figure E-27



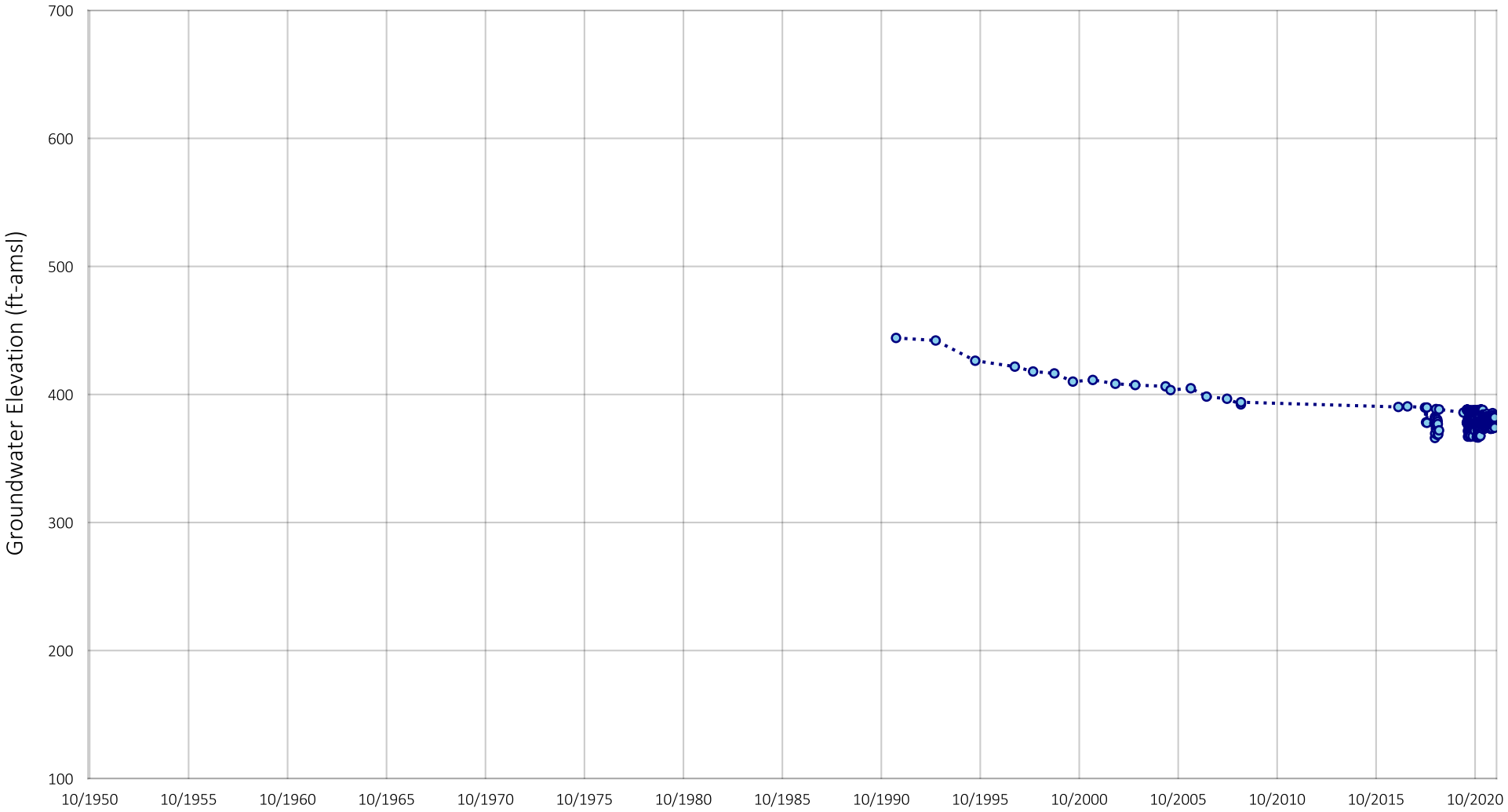
Location of Well in Borrego Springs

Prepared by:

WEST YOST
Water. Engineered.

Historical Groundwater Level Elevation
BSWM ID: 1245884
Well Name: ID4-10
State Well ID: 011S006E18L001S

Figure E-28



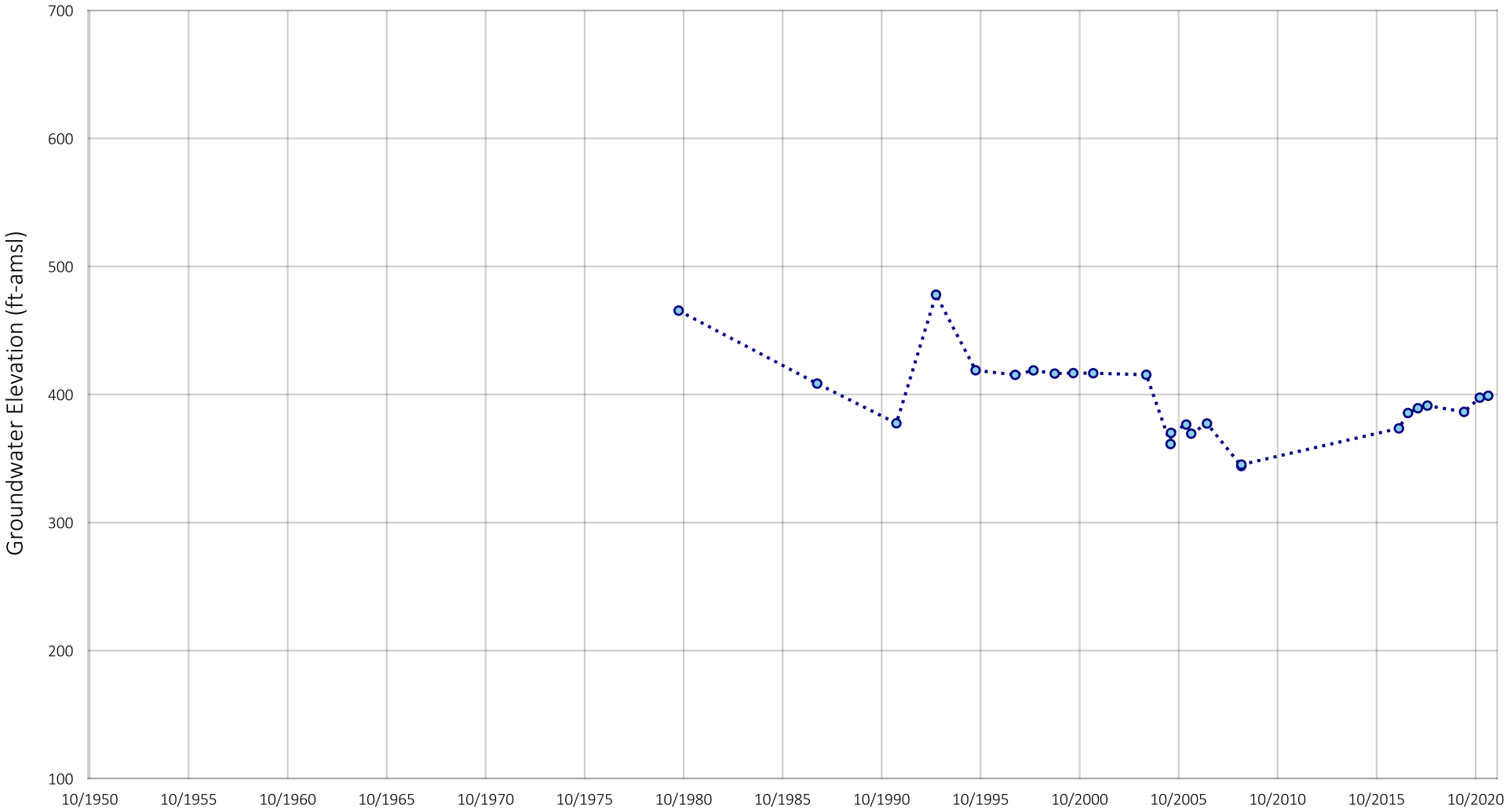
Location of Well in Borrego Springs

Prepared by:

WEST YOST
Water. Engineered.

Historical Groundwater Level Elevation
BSWM ID: 1245880
Well Name: ID1-16
State Well ID: 011S006E16N001S

Figure E-29



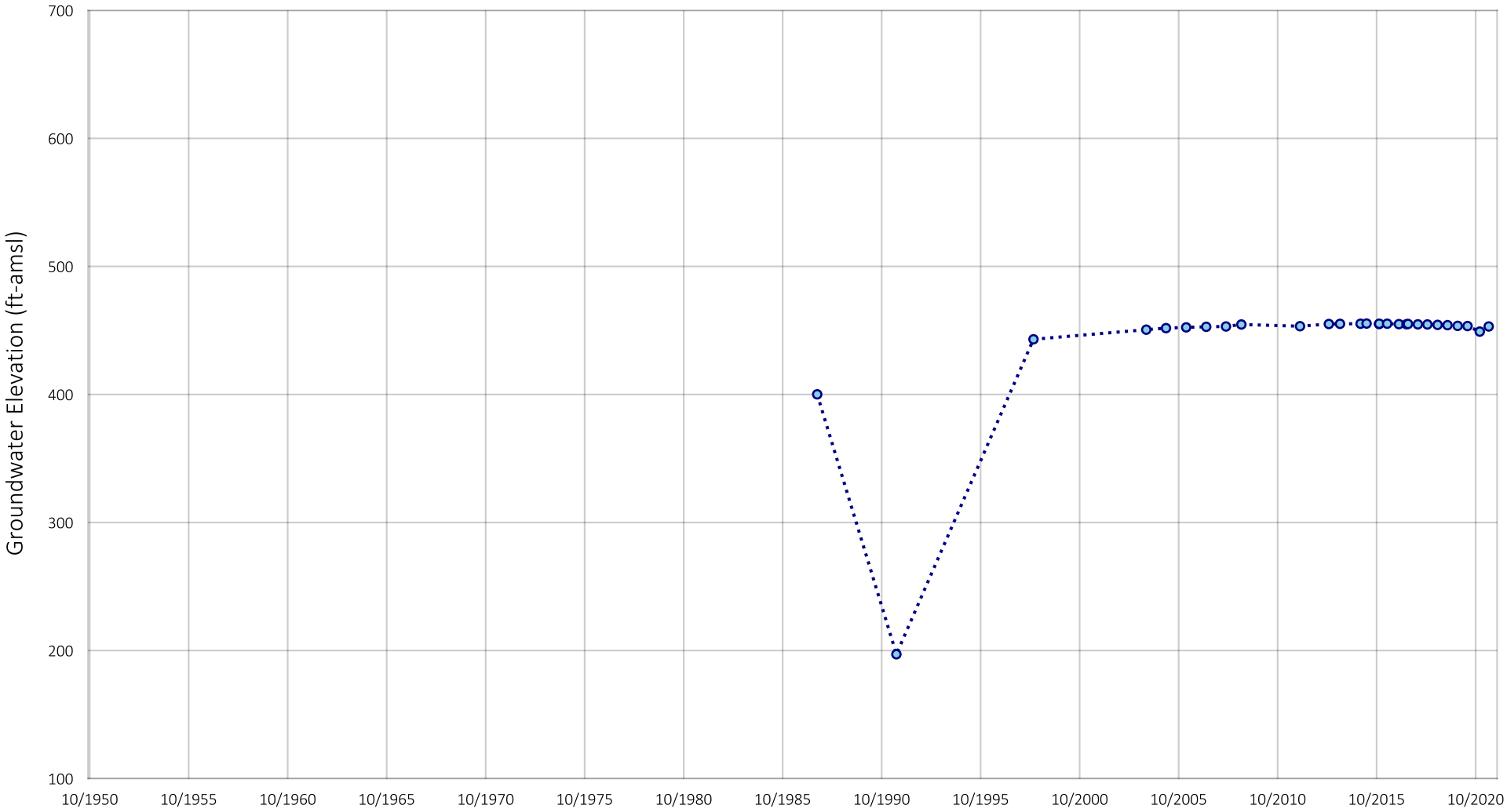
Location of Well in Borrego Springs

Prepared by:

WEST YOST
Water. Engineered.

Historical Groundwater Level Elevation
BSWM ID: 1245878
Well Name: ID1-10
State Well ID: 011S006E22D001S

Figure E-30



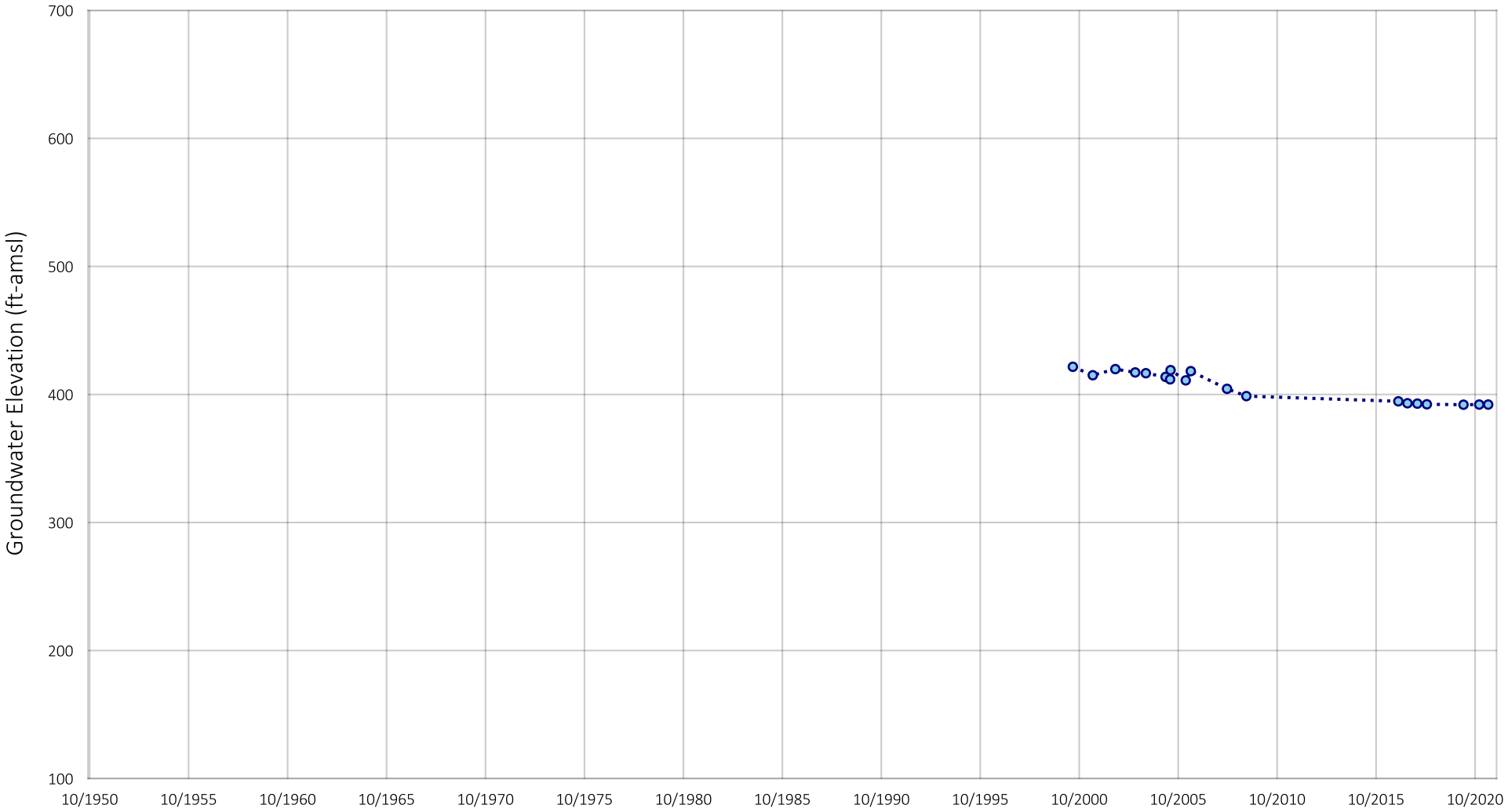
Location of Well in Borrego Springs

Prepared by:

WEST YOST
Water. Engineered.

Historical Groundwater Level Elevation
BSWM ID: 1245903
Well Name: Paddock
State Well ID: 011S006E22B001S

Figure E-31



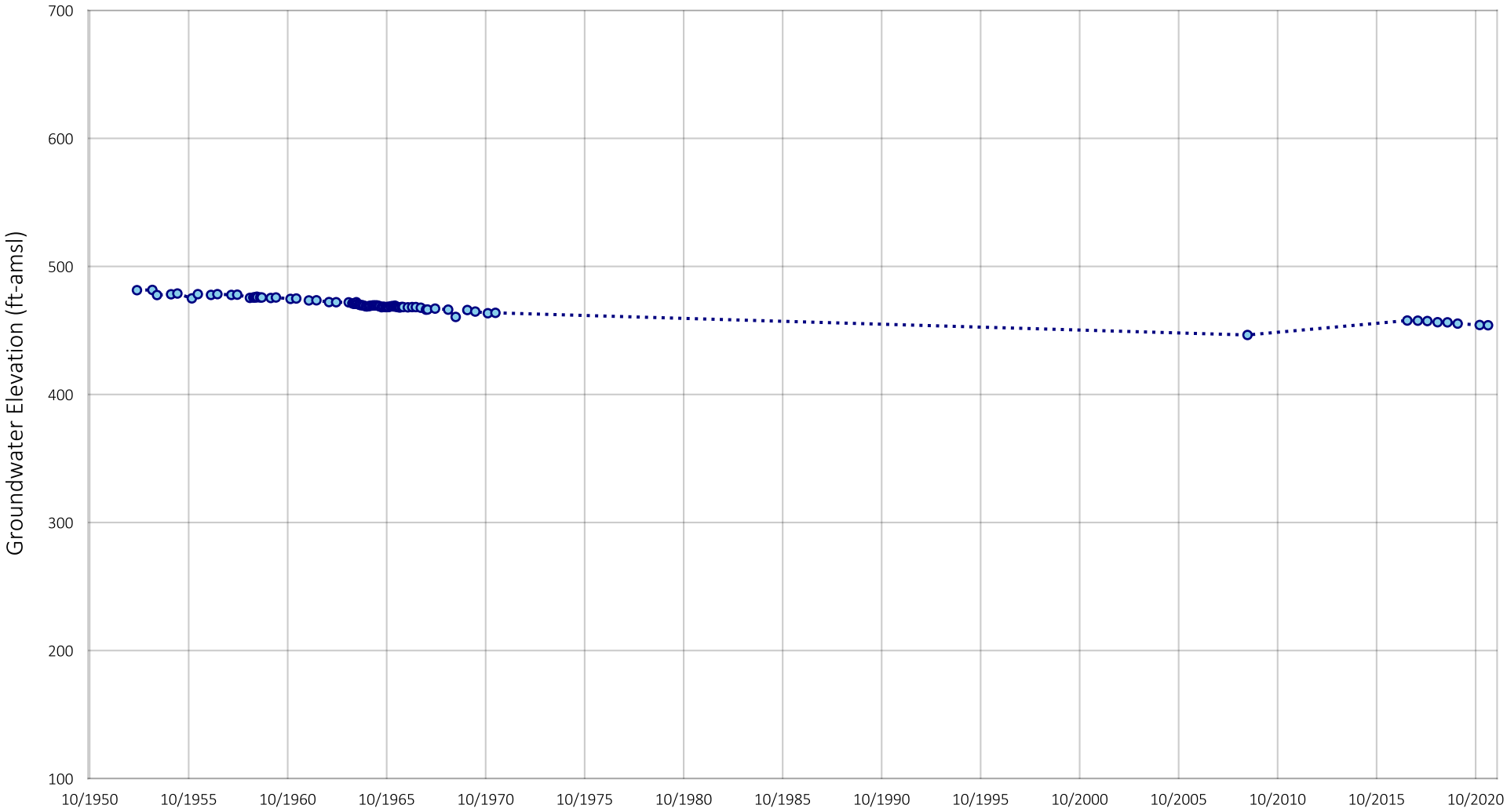
Location of Well in Borrego Springs

Prepared by:

WEST YOST
Water. Engineered.

Historical Groundwater Level Elevation
BSWM ID: 1245931
Well Name: Wilcox
State Well ID: 011S006E20A001S

Figure E-32



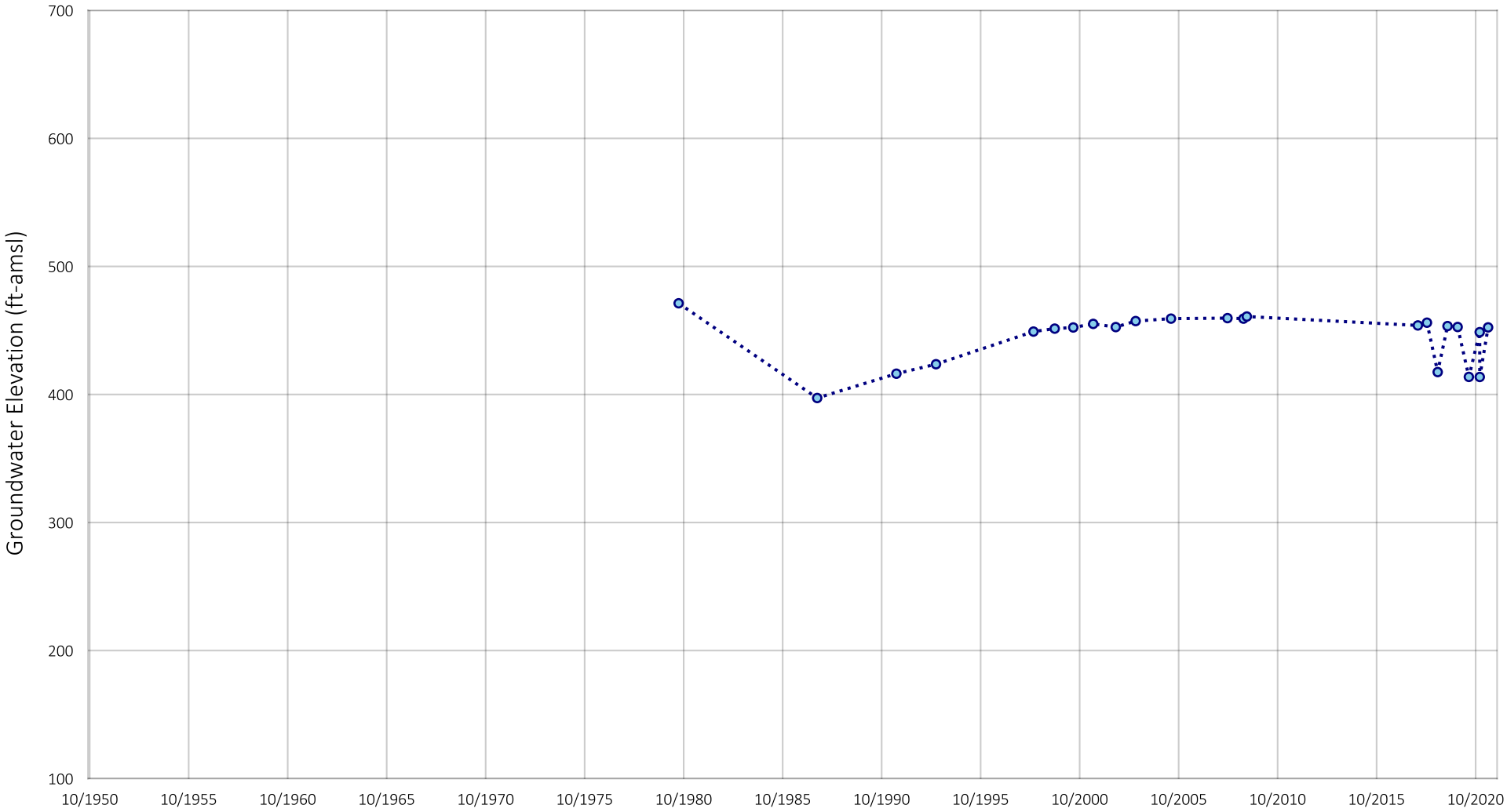
Location of Well in Borrego Springs

Prepared by:

WEST YOST
Water. Engineered.

Historical Groundwater Level Elevation
BSWM ID: 1245856
Well Name: Bakko
State Well ID: 011S006E22A001S

Figure E-33



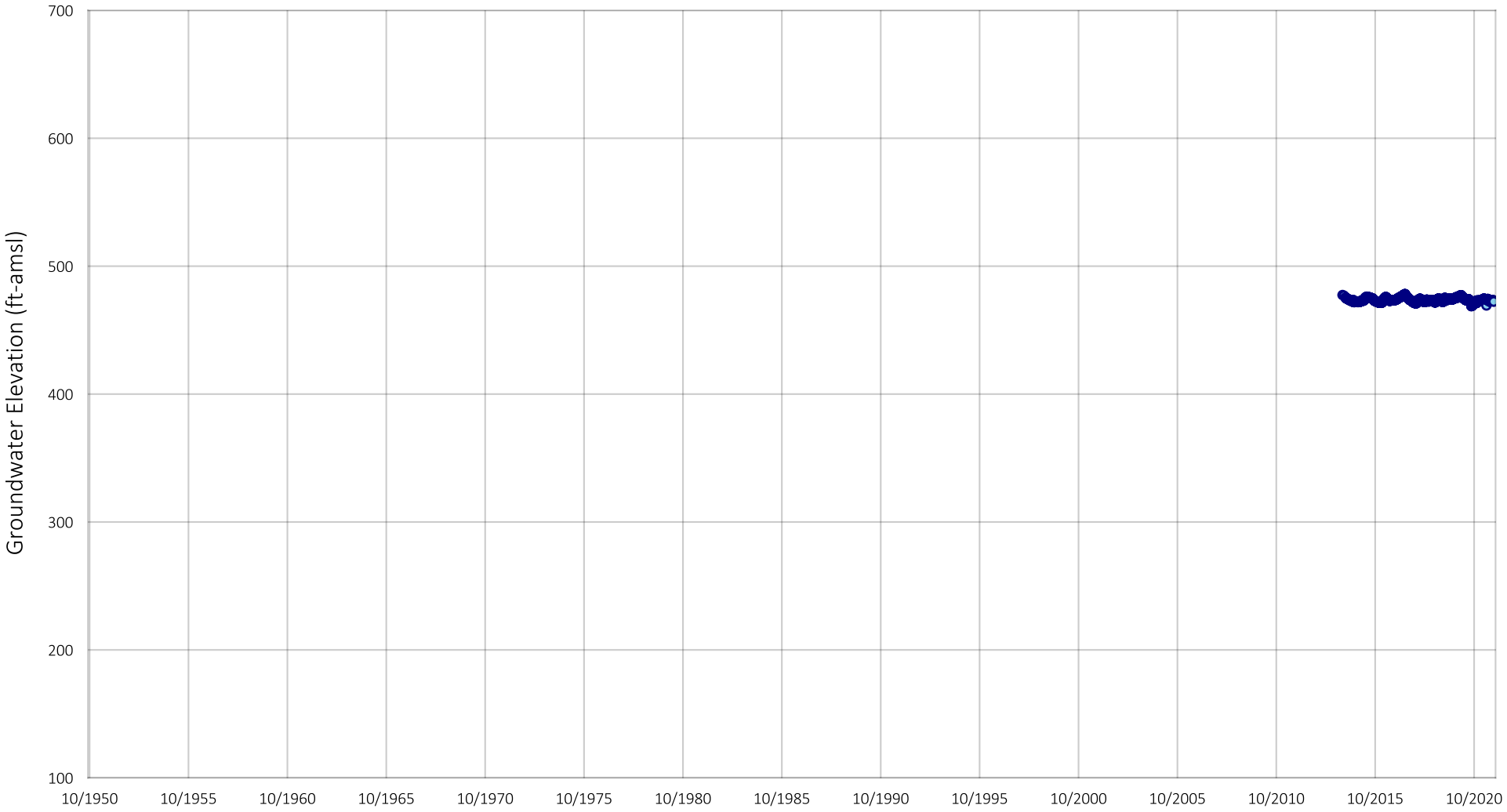
Location of Well in Borrego Springs

Prepared by:

WEST YOST
Water. Engineered.

Historical Groundwater Level Elevation
BSWM ID: 1245895
Well Name: La Casa
State Well ID: 011S006E23E001S

Figure E-34



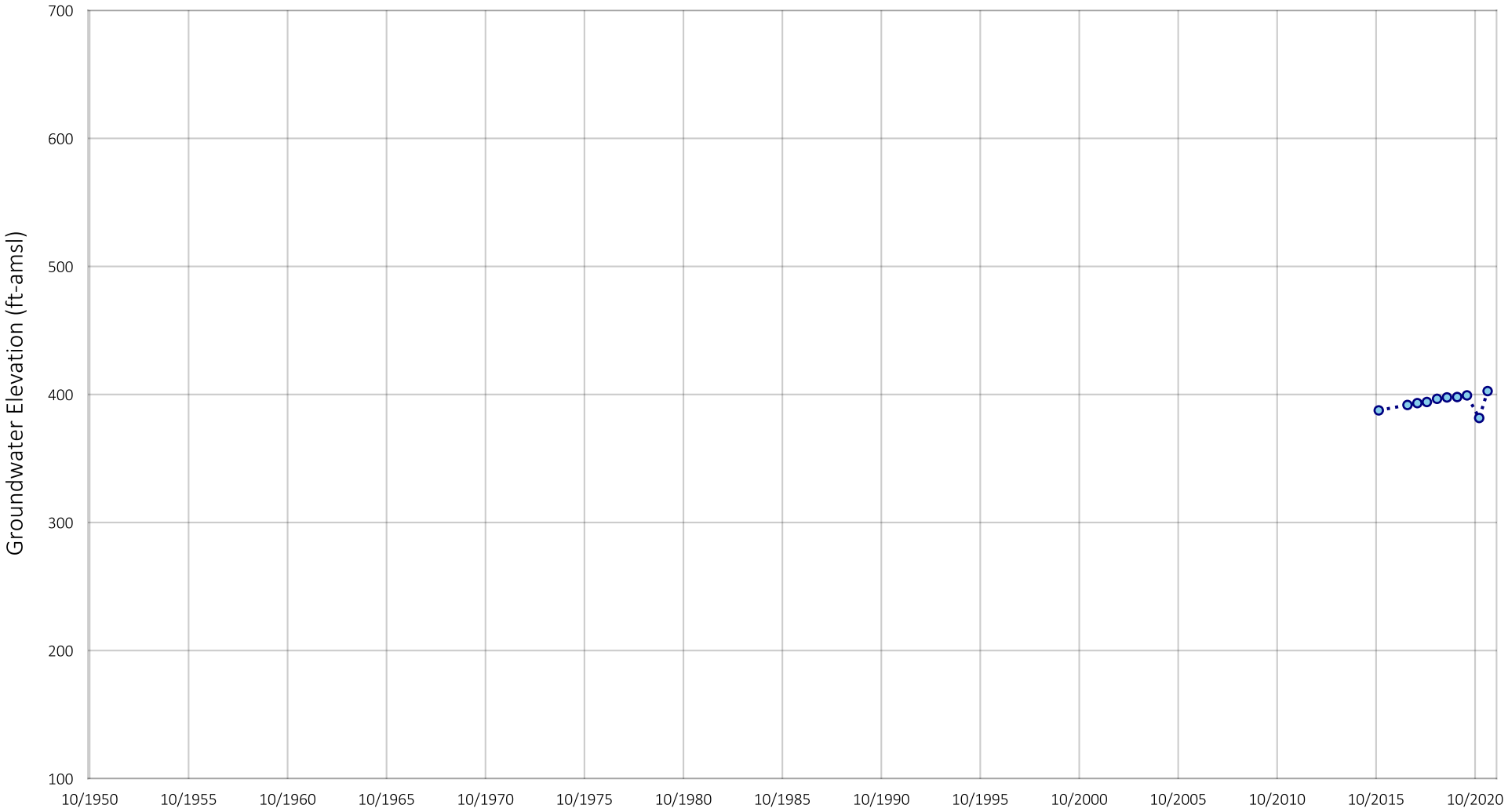
Location of Well in Borrego Springs

Prepared by:

WEST YOST
Water. Engineered.

Historical Groundwater Level Elevation
BSWM ID: 1245932
Well Name: WWTP-1
State Well ID: 011S006E23H001S

Figure E-35



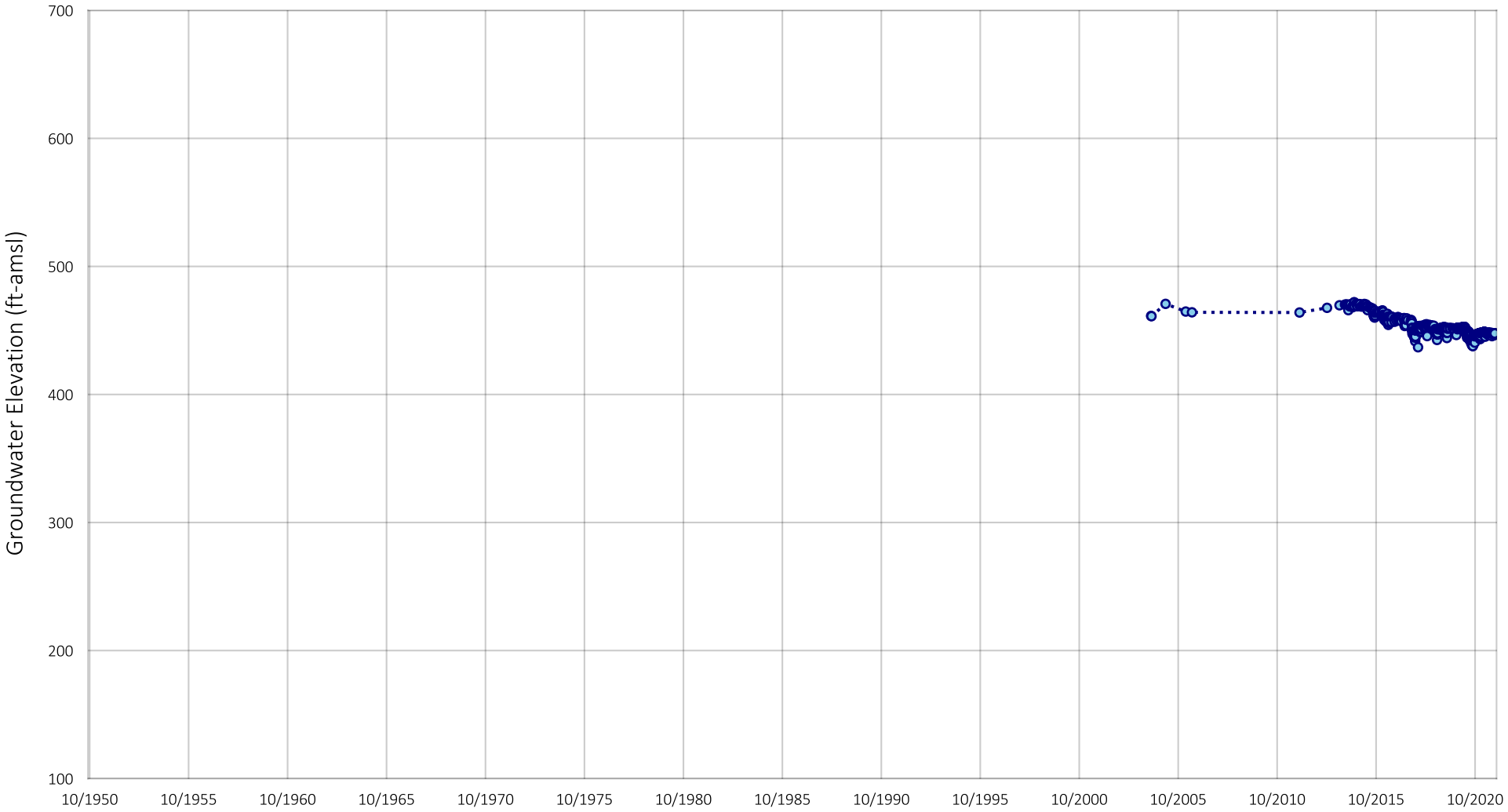
Location of Well in Borrego Springs

Prepared by:

WEST YOST
Water. Engineered.

Historical Groundwater Level Elevation
BSWM ID: 1245853
Well Name: Anzio/Yaqui Pass
State Well ID: 011S006E22E001S

Figure E-36



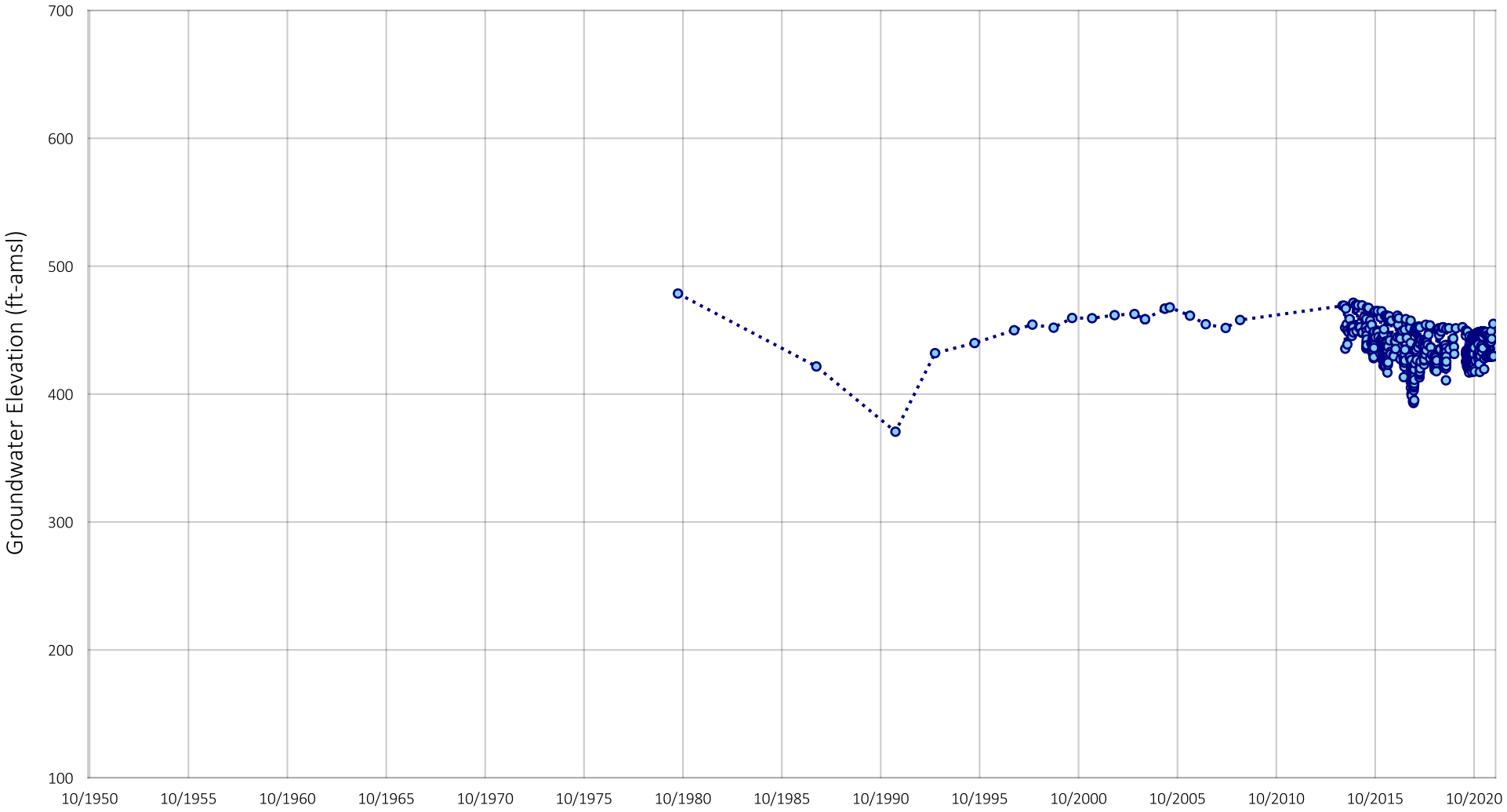
Location of Well in Borrego Springs

Prepared by:

WEST YOST
Water. Engineered.

Historical Groundwater Level Elevation
BSWM ID: 1245898
Well Name: MW-3
State Well ID: 011S006E23J002S

Figure E-37



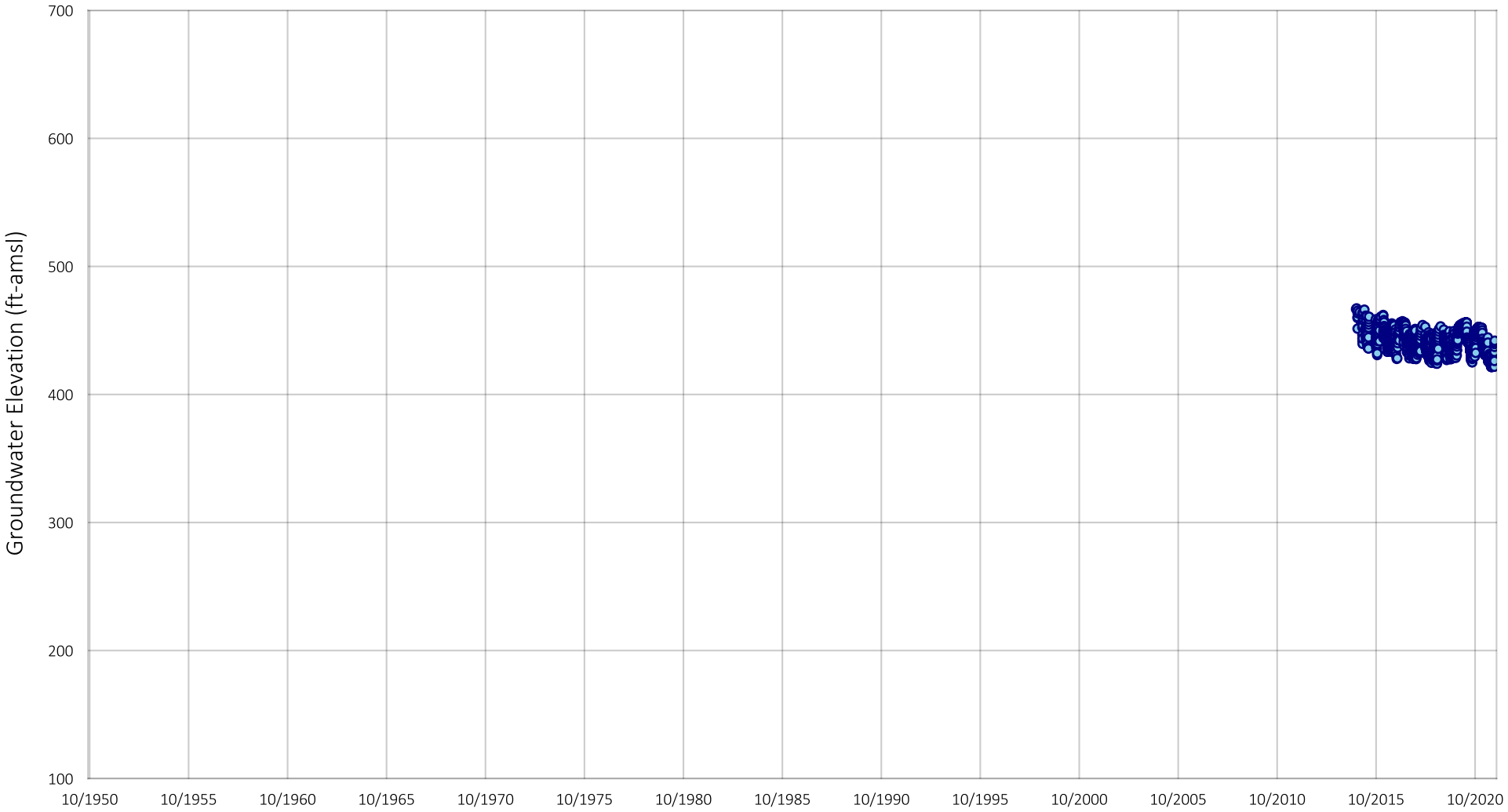
Location of Well in Borrego Springs

Prepared by:

WEST YOST
Water. Engineered.

Historical Groundwater Level Elevation
BSWM ID: 1245882
Well Name: ID1-8
State Well ID: 011S006E23J001S

Figure E-38



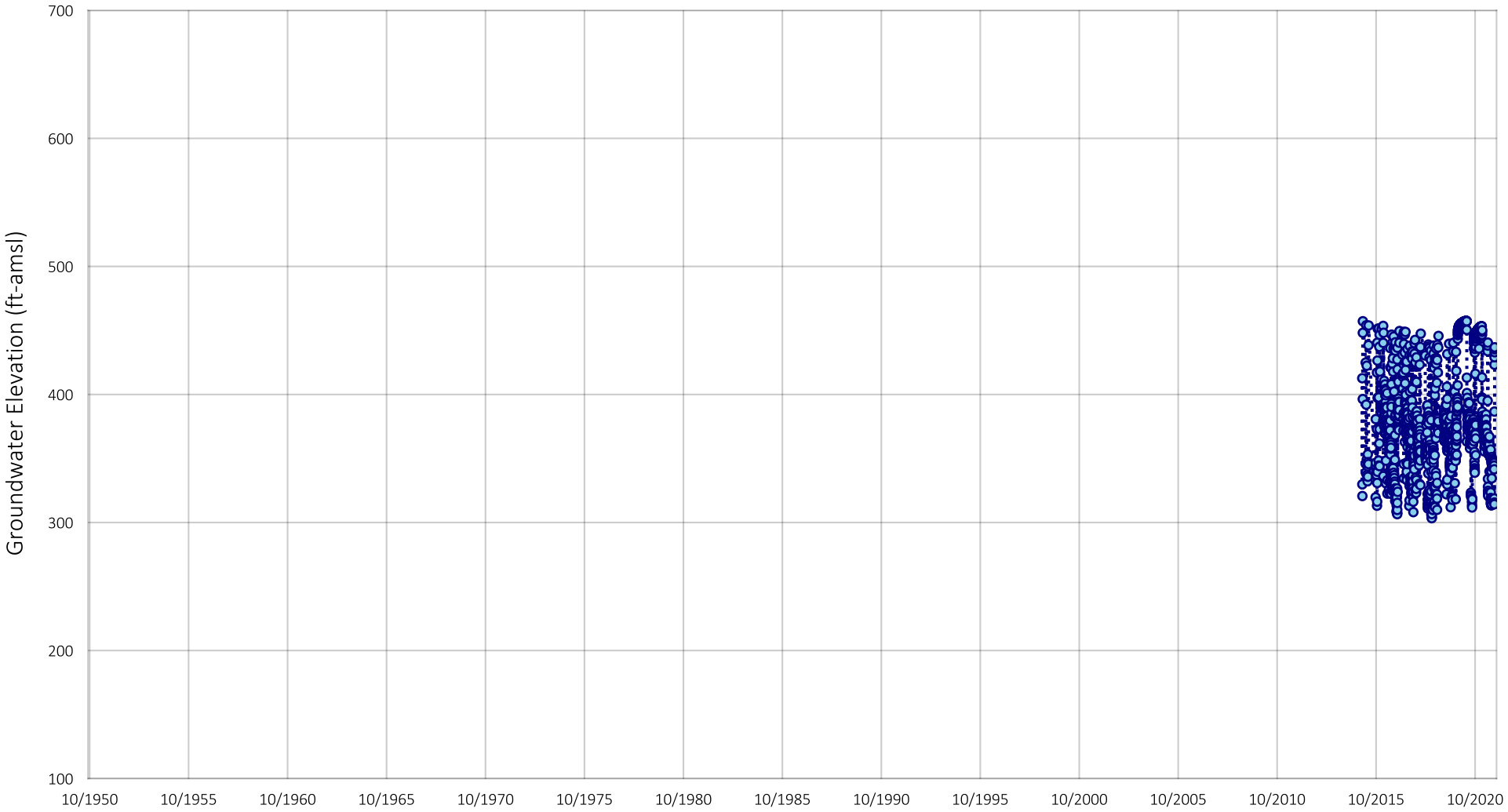
Location of Well in Borrego Springs

Prepared by:

WEST YOST
Water. Engineered.

Historical Groundwater Level Elevation
BSWM ID: 1245894
Well Name: JC Well
State Well ID: 011S006E24Q001S

Figure E-39



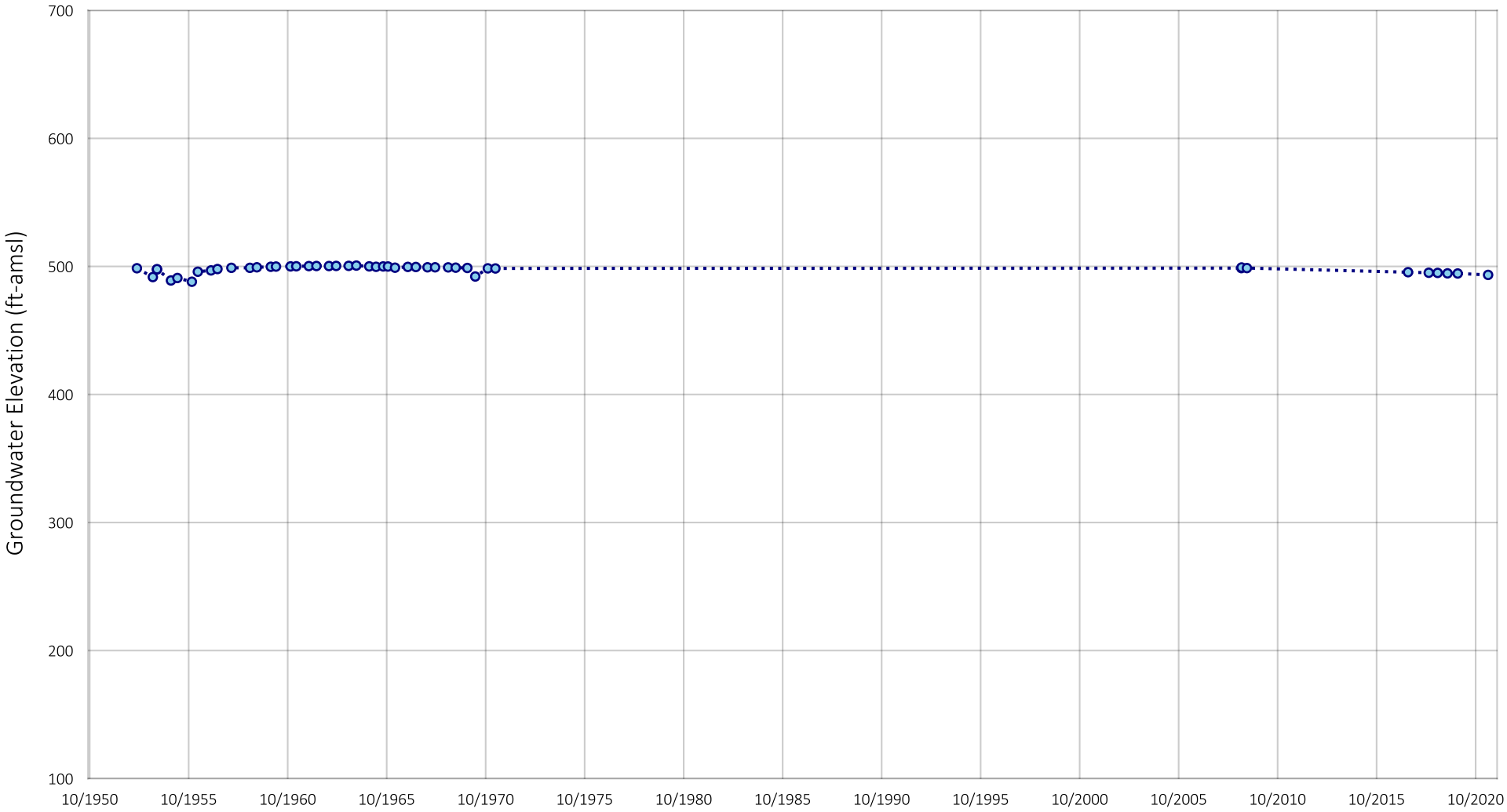
Location of Well in Borrego Springs

Prepared by:

WEST YOST
Water. Engineered.

Historical Groundwater Level Elevation
BSWM ID: 1245910
Well Name: RH-4
State Well ID: 011S006E24Q002S

Figure E-40



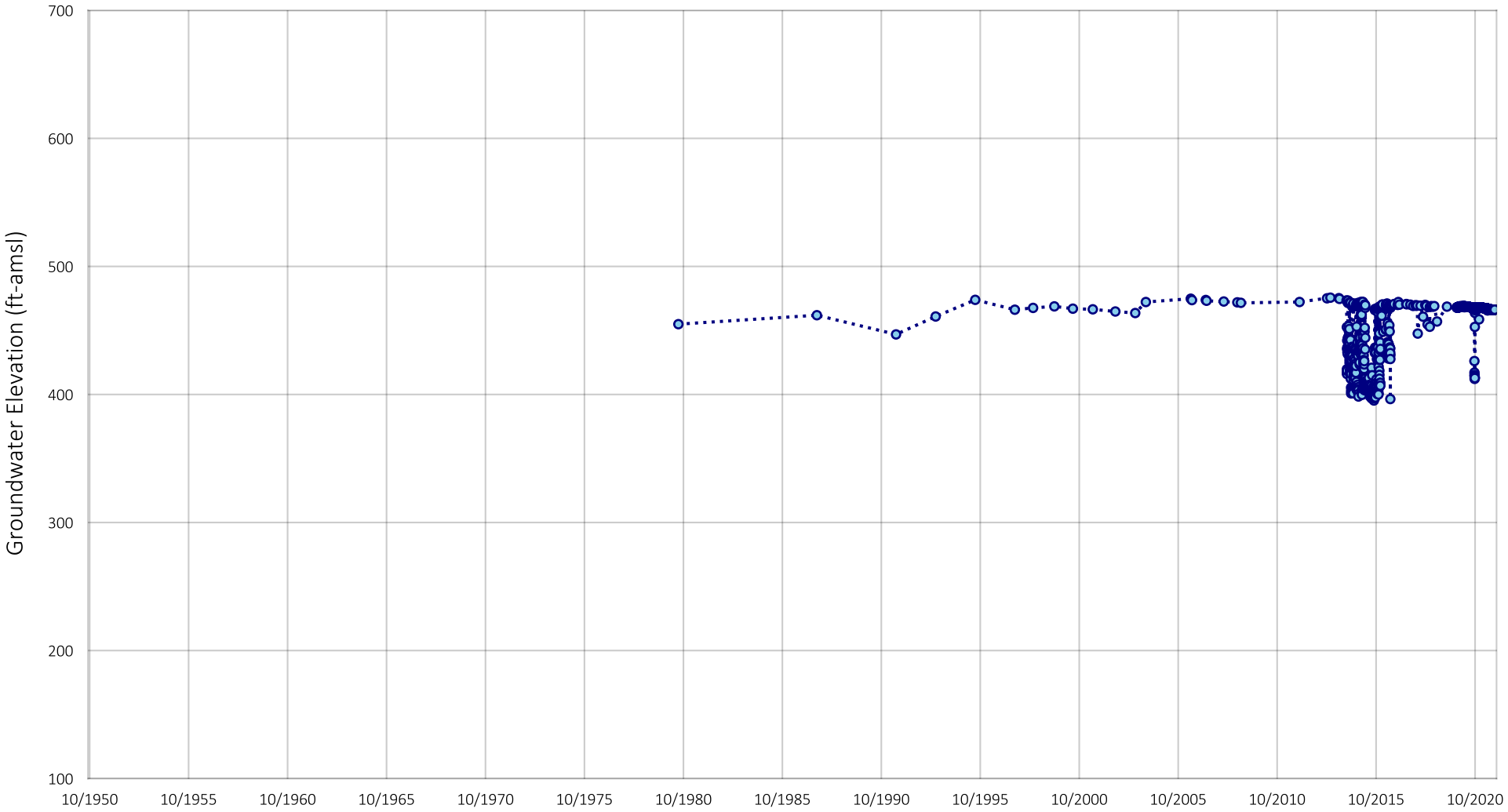
Location of Well in Borrego Springs

Prepared by:

WEST YOST
Water. Engineered.

Historical Groundwater Level Elevation
BSWM ID: 1245859
Well Name: Bing Crosby Well (Sky Ranch)
State Well ID: 011S007E20P001S

Figure E-41



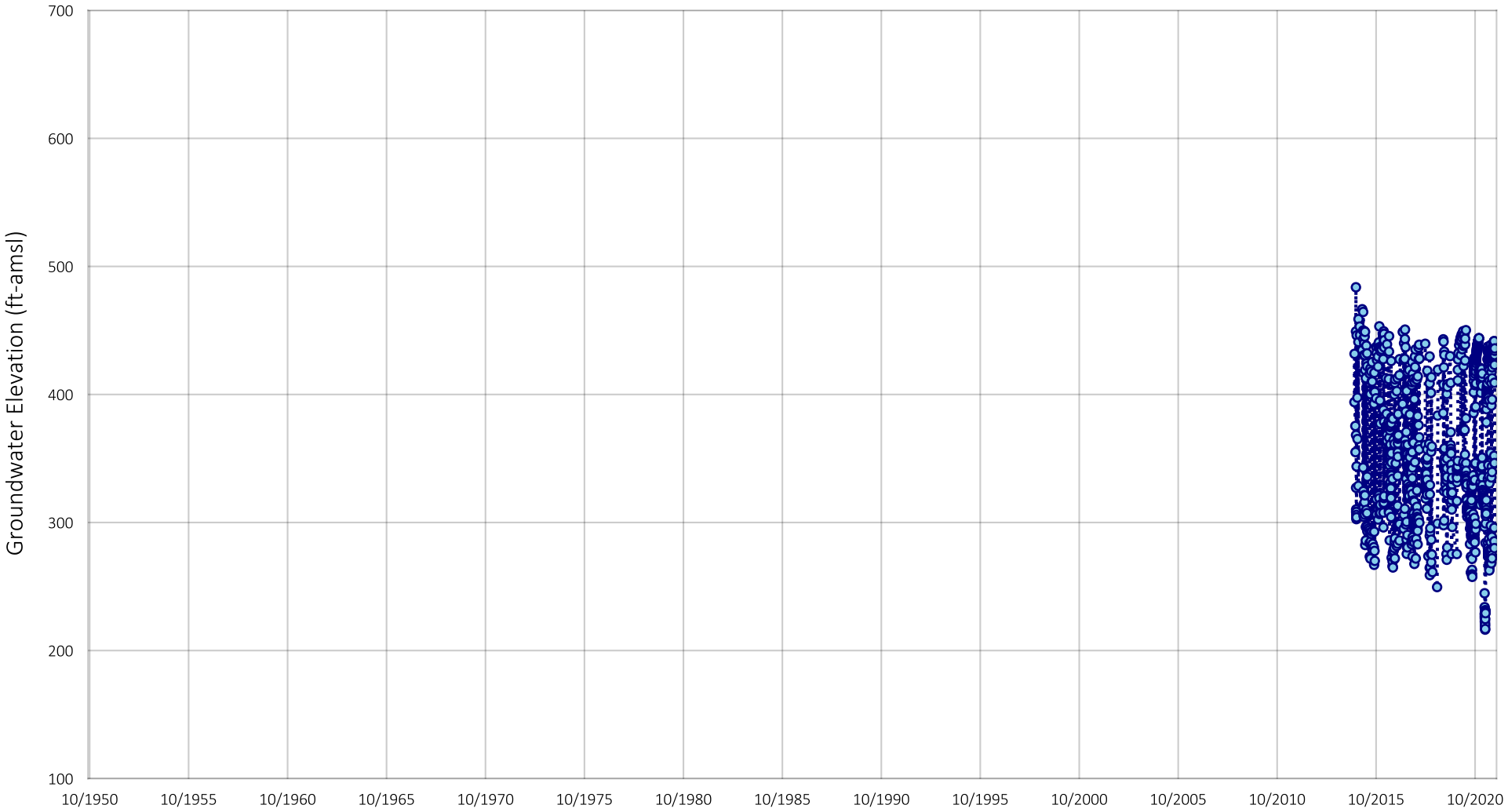
Location of Well in Borrego Springs

Prepared by:

WEST YOST
Water. Engineered.

Historical Groundwater Level Elevation
BSWM ID: 1245877
Well Name: RH-1 (ID1-1)
State Well ID: 011S006E25A001S

Figure E-42



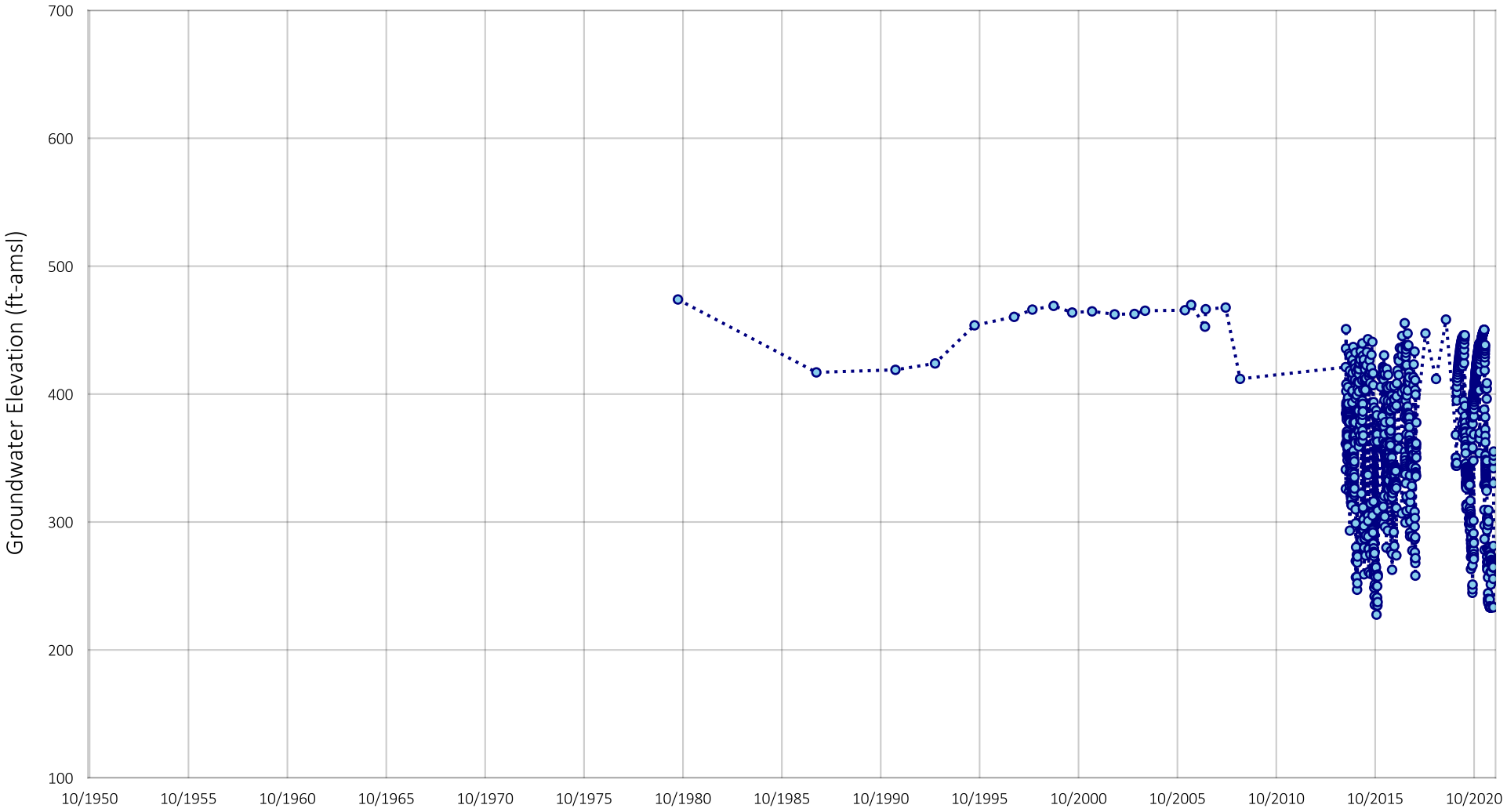
Location of Well in Borrego Springs

Prepared by:

WEST YOST
Water. Engineered.

Historical Groundwater Level Elevation
BSWM ID: 1245909
Well Name: RH-3
State Well ID: 011S006E25C002S

Figure E-43



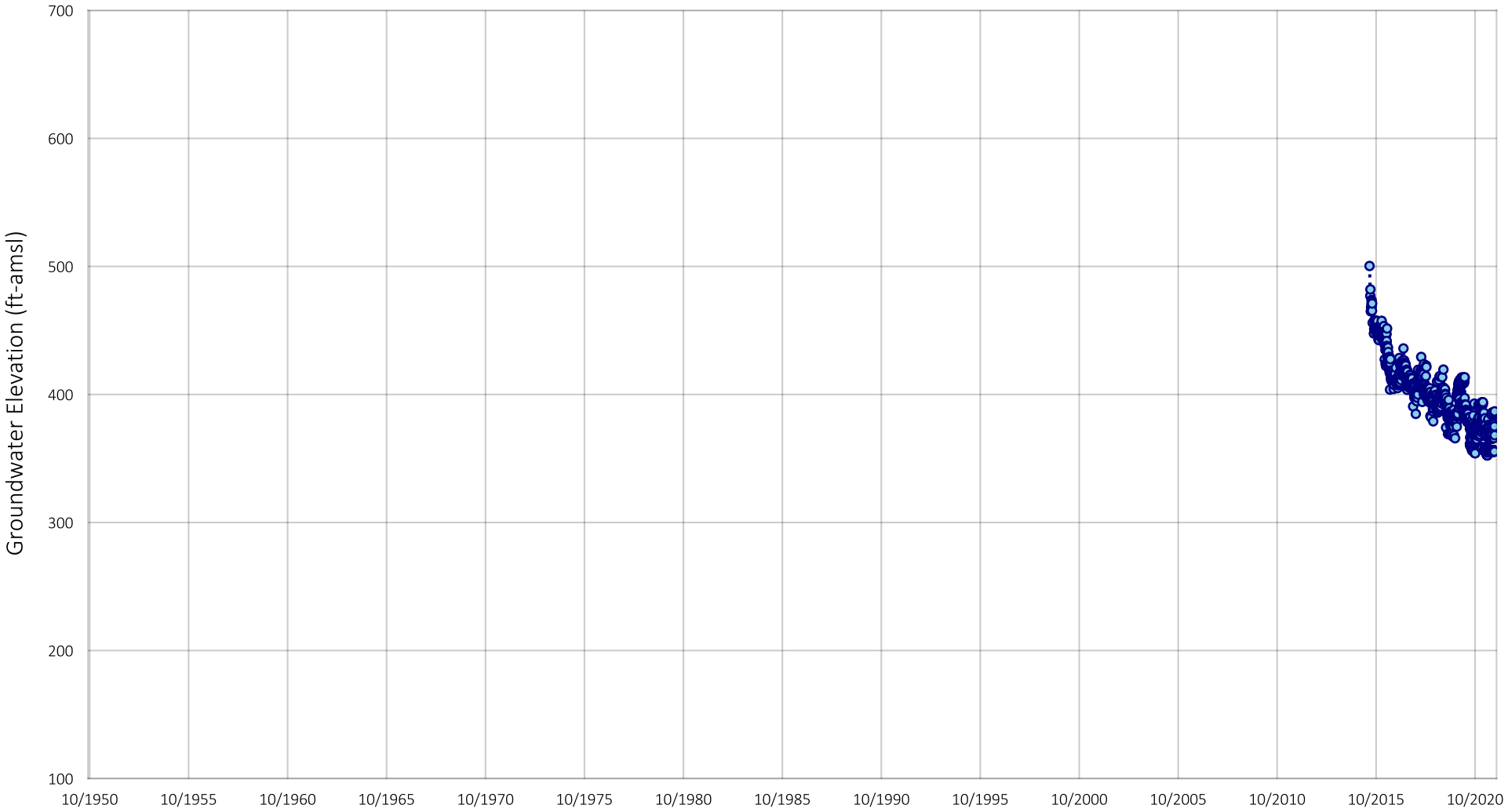
Location of Well in Borrego Springs

Prepared by:

WEST YOST
Water. Engineered.

Historical Groundwater Level Elevation
BSWM ID: 1245881
Well Name: RH-2 (ID1-2)
State Well ID: 011S006E25C001S

Figure E-44



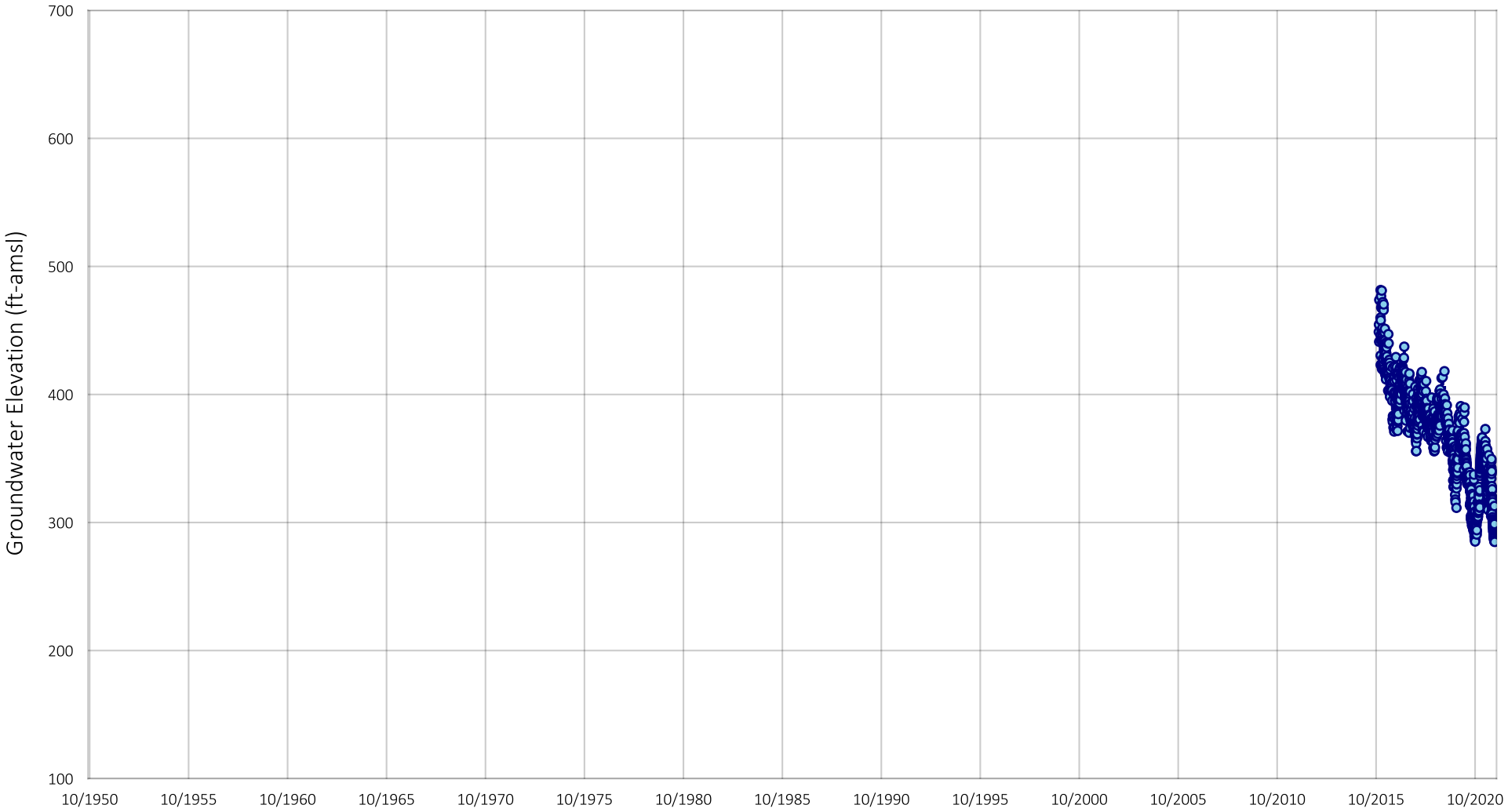
Location of Well in Borrego Springs

Prepared by:

WEST YOST
Water. Engineered.

Historical Groundwater Level Elevation
BSWM ID: 1245911
Well Name: RH-5
State Well ID: 011S006E26B001S

Figure E-45



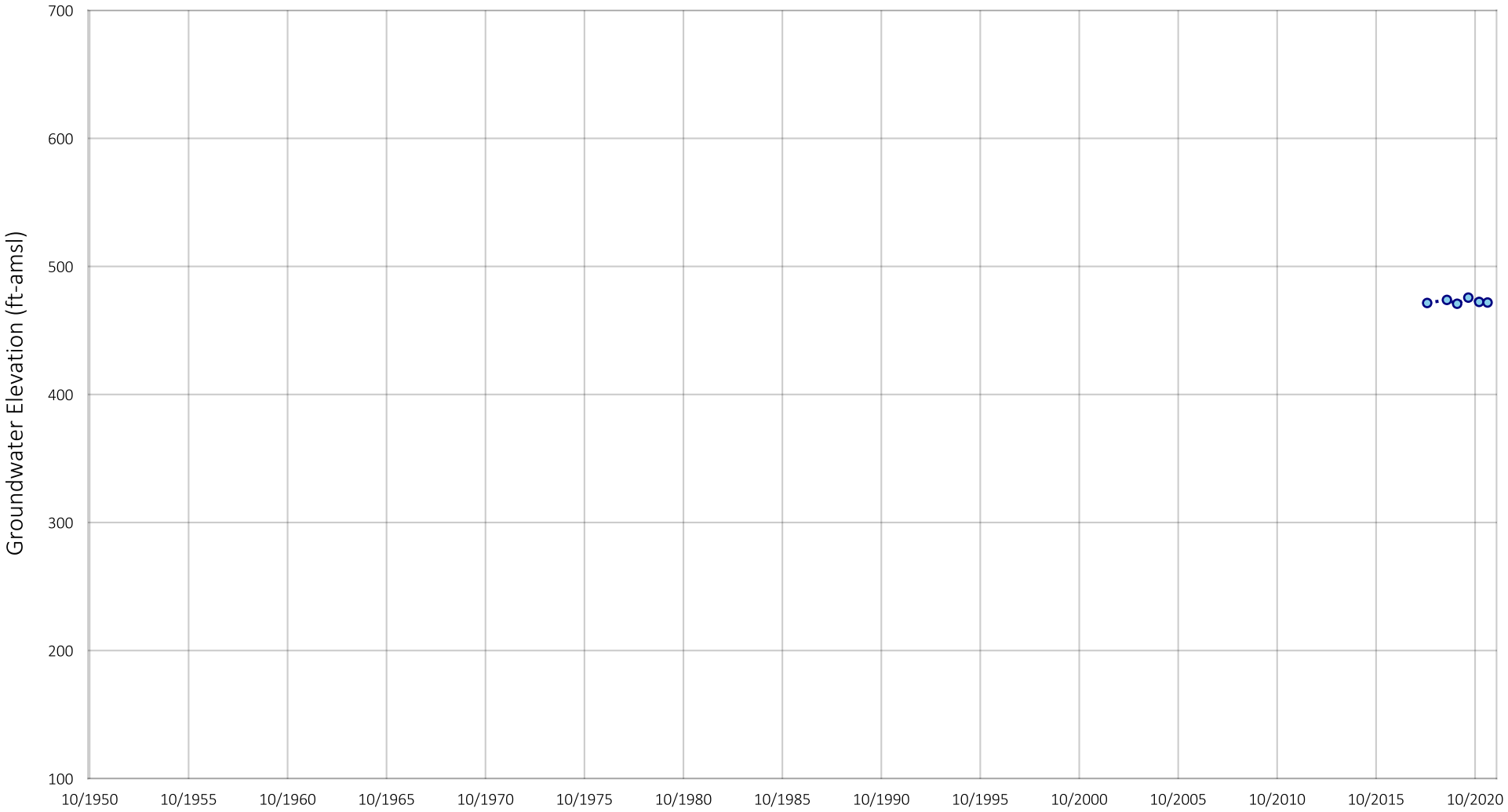
Location of Well in Borrego Springs

Prepared by:

WEST YOST
Water. Engineered.

Historical Groundwater Level Elevation
BSWM ID: 1245912
Well Name: RH-6
State Well ID: 011S006E26H001S

Figure E-46



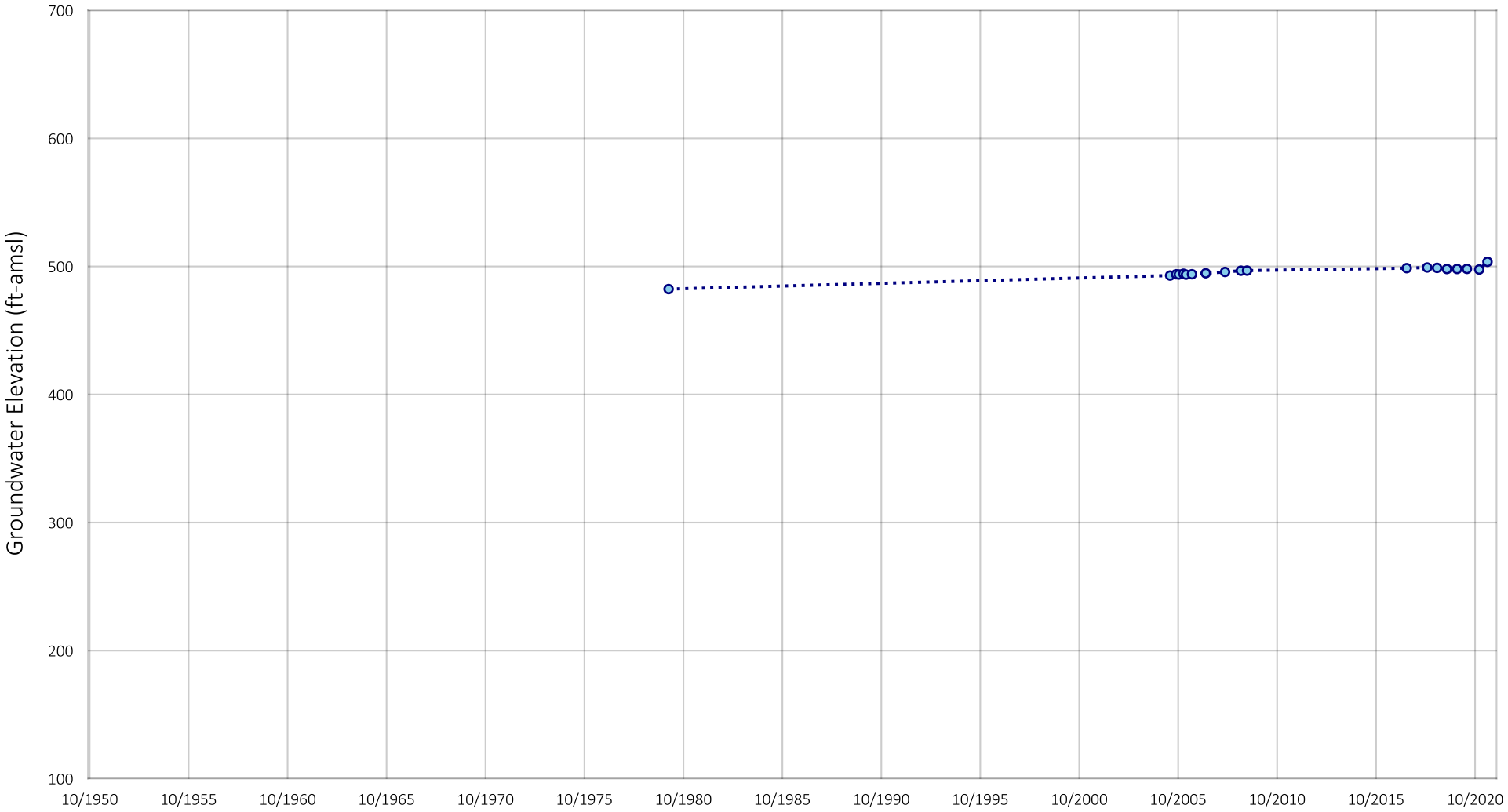
Location of Well in Borrego Springs

Prepared by:

WEST YOST
Water. Engineered.

Historical Groundwater Level Elevation
BSWM ID: 1245852
Well Name: Air Ranch Well 4
State Well ID: 011S007E30L001S

Figure E-47



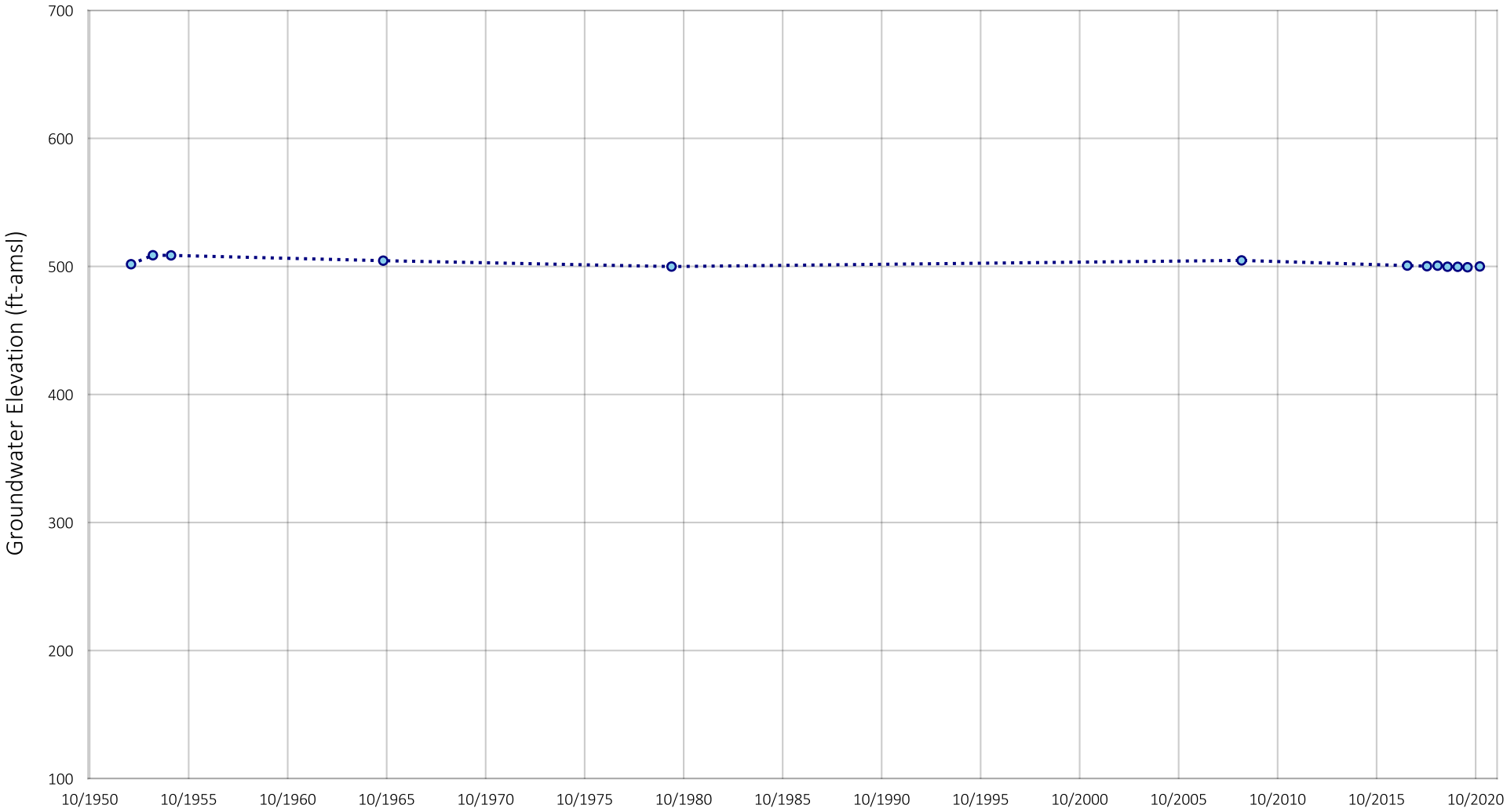
Location of Well in Borrego Springs

Prepared by:

WEST YOST
Water. Engineered.

Historical Groundwater Level Elevation
BSWM ID: 1245854
Well Name: Army Well
State Well ID: 011S006E34A001S

Figure E-48



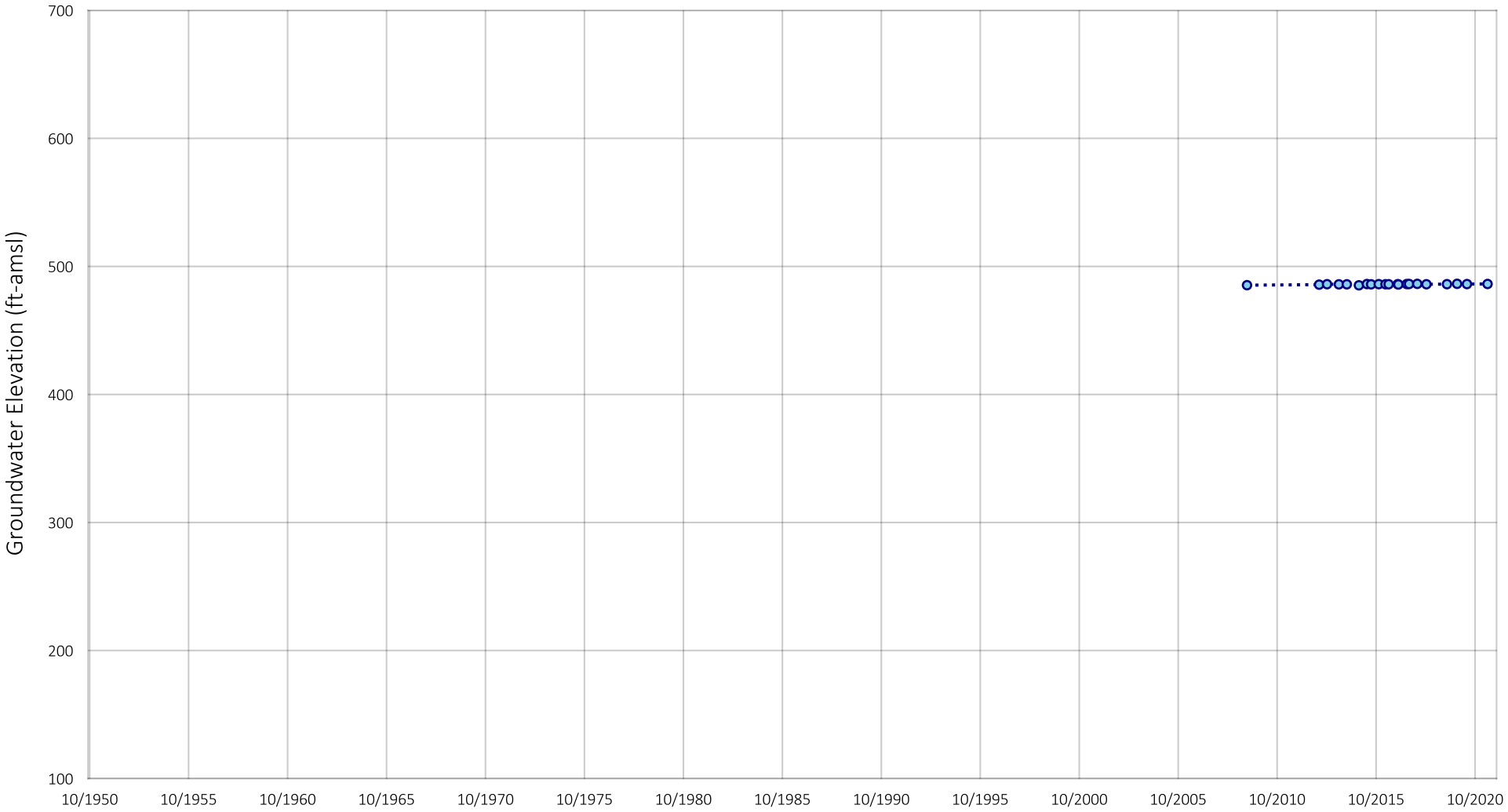
Location of Well in Borrego Springs

Prepared by:

WEST YOST
Water. Engineered.

Historical Groundwater Level Elevation
BSWM ID: 1245875
Well Name: Hayden (32Q1)
State Well ID: 011S007E32Q001S

Figure E-49



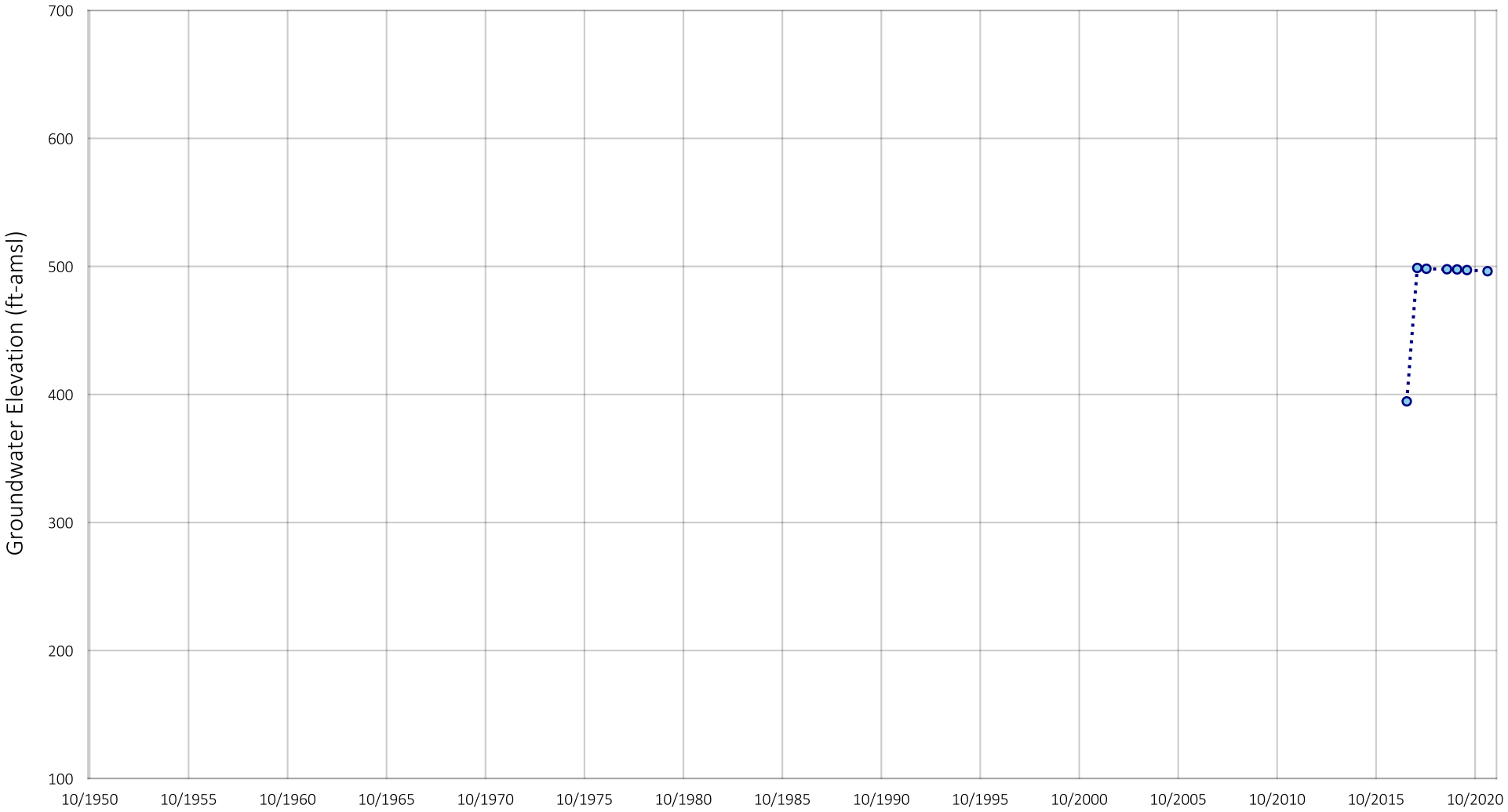
Location of Well in Borrego Springs

Prepared by:

WEST YOST
Water. Engineered.

Historical Groundwater Level Elevation
BSWM ID: 1245902
Well Name: Nel Well (Dr Peter Nels)
State Well ID: 012S007E03L001S

Figure E-50



Location of Well in Borrego Springs

Prepared by:

WEST YOST
Water. Engineered.

Historical Groundwater Level Elevation
BSWM ID: 1245925
Well Name: State Well
State Well ID: 012S007E04R001S

Figure E-51

Appendix F

Baseline Pumping Allocations, Revised Exhibit "4" as of October 1, 2021

Exhibit "4"

BASELINE PUMPING ALLOCATIONS

Owner(s)	Common Property Name	BPA[1] Acre Feet	APN(s)[2]	Well Number(s)[2]
Agri-Empire		574	140-320-10 140-320-19	010S006E23M001S
Rick and Joan Anson, co-trustees of the Anson Family Trust 08-18-08[3]		2	Unassigned	Unassigned
Alan & Tracy Asche	B&J Landscaping	5	199-020-04	DEH1980-LWELL-8027
Gary D. & Darlis A. Bailey		7	140-130-42	Unassigned
David and Juli Bauer, co-trustees of the D&J Bauer Family Trust 11-18-04		1,826	140-070-24 140-070-27 140-110-14 140-070-18 140-070-17 140-010-11	DEH2008-LWELL-19669 DEH2012-LWELL-21135 DEH2008-LWELL-18911 DEH 1998-LWELL-12508 DEH2015-LWELL-006 DEH2017-LWELL-001658
William M. Bauer		670	140-010-08	DEH2016-LWELL-001642
Borrego Air Ranch Mutual Water & Improvement Co.	Borrego Air Ranch	12	201-192-08[4]	011S007E30L001S
Borrego Nazareth LLC	Borrego Springs Resort and Club Circle	1,462	198-021-08-00 198-270-18-00 199-010-16-00 199-010-17-00 199-010-18-00 199-010-19-00	WM ID 1245829

[1] Allocations to the Anza-Borrego Desert State Park and Borrego Unified School District (Borrego Elementary) are separate from BPA, per the terms of the Judgment.

[2] Except for BPA allocated to BWD and mutual water companies, BPA must be assigned to APN(s) and Well Number(s) to be effective per Section III.A of the Judgment. If state well number(s) are not found following a Party's good faith review of DWR's well completion report database, County well files and the Party's available records, the Party shall provide the Watermaster Executive Director with a written summary of such good faith efforts to locate the state well number(s), and the Watermaster Executive Director shall assign local well number(s) (WM ID) in order to account for the Party's exercise of its BPA.

[3] Full amount is water credit to BPA conversion.

[4] Water eligible for use at all parcels served by Borrego Air Ranch Mutual Water & Improvement Co. as shown on the attached service area map, and those parcels will be treated as the Original BPA Parcel.

Owner(s)	Common Property Name	BPA[1] Acre Feet	APN(s)[2]	Well Number(s)[2]
			199-010-23-00 199-010-24-00 199-010-25-00 199-010-26-00 199-080-10-00 199-011-04-00 199-100-24-00 199-080-11-00 199-080-20-00 199-080-21-00 199-080-22-00 199-080-15-00 199-080-16-00 199-080-17-00	WM ID 1245942 011S006E09B002S
Borrego Water District	N/A	2,581[5]	N/A	N/A
Raymond A. Carpenter and Susan R. Carpenter, co-trustees of the Carpenter Family Trust 12-11-07		6	140-280-35	Unassigned
Roy Brisbois, trustee of the Conzelman Family Trust A 11-22-83; Steven Mohler, trustee of the Conzelman Family Trust C 11-22-83; Roland J. Jensen, trustee of the Jensen Family Trust 8-05-83; James Sommerville, trustee of the Sommerville Trust 11-22-83[6]	Cogan Ranch	686	140-130-24-00 140-130-40-00 140-130-43-00	DEH2012-LWELL-21118[7] WM ID 1245990

[5] Includes water credit to BPA conversion of 359 AF of BPA.
[6] All six of the jointly owned and operated Conzelman/Jensen/Sommerville Trust properties are interconnected, with wells on some of the ranches serving other ranches, as noted.
[7] Does not serve Cogan Ranch; serves Gable House Ranch.

Owner(s)	Common Property Name	BPA[1] Acre Feet	APN(s)[2]	Well Number(s)[2]
Roy Brisbois, trustee of the Conzelman Family Trust A 11-22-83; Steven Mohler, trustee of the Conzelman Family Trust C 11-22-83; Roland J. Jensen, trustee of the Jensen Family Trust 8-05-83; James Sommerville, trustee of the Sommerville Trust 11-22-83	Gable House [served by well located on Cogan Ranch]	486	140-130-01-00	DEH2012-LWELL-21118
Roy Brisbois, trustee of the Conzelman Family Trust A 11-22-83; Steven Mohler, trustee of the Conzelman Family Trust C 11-22-83; Roland J. Jensen, trustee of the Jensen Family Trust 8-05-83; James Sommerville, trustee of the Sommerville Trust 11-22-83	Gigi Ranch	878	140-130-06-00 140-130-07-00 140-130-08-00 140-130-09-00 140-130-10-00 140-130-11-00 140-130-12-00 140-130-13-00 140-130-14-00 140-130-15-00 140-130-16-00 140-130-17-00 140-130-18-00 140-130-21-00 140-130-22-00 140-130-25-00 140-130-26-00 140-130-27-00 140-130-41-00	DEH2007-LWELL-18244[8]
Roy Brisbois, trustee of the Conzelman Family Trust A 11-22-83; Steven Mohler, trustee of the Conzelman	Peg Leg Ranch	676	140-110-15-00 140-110-16-00	DEH1990-LWELL-10048

[8] Currently inactive. Owner in process of providing replacement well on the same parcel.

Owner(s)	Common Property Name	BPA[1] Acre Feet	APN(s)[2]	Well Number(s)[2]
Family Trust C 11-22-83; Roland J. Jensen, trustee of the Jensen Family Trust 8-05-83; James Sommerville, trustee of the Sommerville Trust 11-22-83				
Roy Brisbois, trustee of the Conzelman Family Trust A 11-22-83; Steven Mohler, trustee of the Conzelman Family Trust C 11-22-83; Roland J. Jensen, trustee of the Jensen Family Trust 8-05-83; James Sommerville, trustee of the Sommerville Trust 11-22-83	Rancho Caterina	1,379	140-010-03-00 140-010-06-00 140-010-09-00	DEH1993-LWELL-9977[9] DEH2004-LWELL-15891[10] DEH2020-LWELL-002643[11] DEH1995-LWELL-3866[12]
Roy Brisbois, trustee of the Conzelman Family Trust A 11-22-83; Steven Mohler, trustee of the Conzelman Family Trust C 11-22-83; Roland J. Jensen, trustee of the Jensen Family Trust 8-05-83; James Sommerville, trustee of the	De Anza Ranch	636	140-070-22-00	010S006E07A001S[13]

[9] Rancho Caterina Well 1, currently inactive and being replaced by Caterina Well 4 DEH2020-LWELL-002643.
[10] Rancho Caterina Well 3, same as DEH2004-LWELL-15890 [well number changed to correct the APN].
[11] Rancho Caterina Well 4, currently replacing Rancho Caterina Well 1.
[12] Rancho Caterina Well 2.
[13] This well is located on an adjacent property owned by Jensen/Conzelman/Sommerville (APN 1400606400) and operated pursuant to an appurtenant easement.

Owner(s)	Common Property Name	BPA[1] Acre Feet	APN(s)[2]	Well Number(s)[2]
Sommerville Trust 11-22-83				
Desert Farm LLC Scott M. Crumrine and Stacey L. Crumrine, co-trustees of the Crumrine Family Trust 04-19-06		21	141-210-61	DEH2015-LWELL-001073
CWC Casa Del Zorro, LLC	La Casa del Zoro Desert Resort and Spa	22	200-030-28-00 200-030-29-00 200-090-05-00 200-090-11-00 200-090-19-00 200-090-20-00 200-090-21-00 200-090-22-00 200-090-23-00 200-090-24-00 200-090-25-00 200-090-27-00 200-090-29-00 200-090-30-00 200-090-31-00 200-090-32-00 200-090-33-00 200-090-34-00 200-090-35-00 200-090-36-00 200-090-37-00 200-090-38-00 200-090-45-00 200-090-47-00 200-090-48-00 200-090-50-00 200-090-63-00 200-090-64-00 200-090-65-00	011S006E23E001S
De Anza Desert Country Club	De Anza Desert Country Club	957	140-185-19 140-242-62 140-261-01 140-264-08 140-242-57-00	010S006E20N001

Owner(s)	Common Property Name	BPA[1] Acre Feet	APN(s)[2]	Well Number(s)[2]
John B. & Silvia H. Hogan	Desert Flora Nursery	8	199-01-112	Unassigned
John Doljanin	West Coast Trees	887	140-110-19 140-110-20 140-110-24 140-290-05 140-290-08	DEH1979-LWELL-4103 DEH1979-LWELL-4104 DEH1984-LWELL-4102
Genus, L.P.[14]		112	141-030-35-00	Unassigned
John McGrory; JM Roadrunner, LLC	Cogan	555	140-130-44 140-130-45 140-029-11 141-030-60	 010S006E15D003S[15] 010S006E15D004S
JM Roadrunner, LLC	Road Runner I	671	140-130-28 140-130-34 140-130-35 140-130-36 140-130-38	010S006E15D003S 010S006E15D004S
JM RoadRunner, LLC	Road Runner II	387	141-030-26 141-030-27	 WM ID 1245980 WM ID 1245981 010S006E15D003S 010S006E15D004S
Robert Larkins[16]		2	Unassigned	Unassigned
Michael Maiter and John Savittieri[17]		1	200-253-02-00 140-060-54-00 140-060-55-00	Unassigned
Gamini D. Weerasekera	Mountain Springs Organics	103	140-110-21	010S006E17J003S 010S006E17J001S
Manuel & Araceli C. Navarro		14	141-210-16	010S006E34M001S DEH1982-LWELL-1076

[14] Full amount is water credit to BPA conversion.
[15] Each of the three ranches owned by JM Roadrunner, LLC, with John McGrory as its principal, are interconnected, with water produced from some ranches used to serve other ranches. The only currently producing wells are located on APN 140-130-28 of the Road Runner I ranch.
[16] Full amount is water credit to BPA conversion.
[17] Full amount is water credit to BPA conversion.

Owner(s)	Common Property Name	BPA[1] Acre Feet	APN(s)[2]	Well Number(s)[2]
Doug & Patricia Munson[18]		1	Unassigned	Unassigned
Ronald Pecoff		114	141-030-14	010S006E29N002S 010S006E29N001S
The Roadrunner Club at Borrego, LP[19]	Roadrunner Golf and Country Club	520	141-210-64-00	WM ID 1245946
RTA Borrego, LLC[20]		12	Unassigned	Unassigned
Jose G. & Maria E. Sanchez		4	199-130-03	Unassigned
Seley Ranches, L.P.		2,226	140-070-14 140-070-16 140-090-04	010S006E09G001S 010S006E09Q001S 010S006E09J002S
Shenandoah Growers, Inc.		61	141-160-47	DEH2006-LWELL-17726
Max Siefker[21]		2	Unassigned	Unassigned
Brian Siefker, trustee of the Brian Siefker Trust 12-18-01[22]		3	141-271-07-00	Unassigned
Kent R. Smith, trustee of the Smith Kent R. Revocable Living Trust 01-04-90[23]		32	141-080-05-00 200-312-06-00	Unassigned
The Springs RV and Golf Resort, LP	The Springs at Borrego RV Resort and Golf Club	287	141-210-62-00 141-210-65-00	WM ID 1245948
T2 Borrego LLC		965	140-010-10 140-070-02	010S006E05F001S 010S006E08B001S
T2 Borrego LLC[24]	Ram's Hill Golf Club	2,536	200-120-20 200-160-26 200-160-27 200-160-28 200-273-03 200-273-08	011S006E24Q002S 011S006E25A001S 011S006E25C002S 011S006E25C001S 011S006E26H001S 011S006E26B001S

[18]Full amount is water credit to BPA conversion.
[19] Includes water credit to BPA conversion of 171 AF of BPA.
[20]Full amount is water credit to BPA conversion.
[21]Full amount is water credit to BPA conversion.
[22] Full amount is water credit to BPA conversion.
[23] Full amount is water credit to BPA conversion.
[24] Includes water credit to BPA conversion of 1,523 AF of BPA.

Owner(s)	Common Property Name	BPA[1] Acre Feet	APN(s)[2]	Well Number(s)[2]
			200-120-29 200-120-30 200-120-31 200-120-39 200-120-41 200-120-48 200-120-51 200-120-52 200-120-53 200-140-12 200-160-30 200-210-21 200-210-22 200-271-03 200-271-04 200-271-06 200-271-07 200-271-15 200-271-16 200-271-21 200-271-22 200-271-23 200-271-24 200-271-29 200-271-32 200-271-35 200-271-36 200-271-37 200-271-38 200-272-08 200-273-02 200-273-04 200-273-05 200-273-06 200-273-07 200-274-02 200-275-08 200-275-09 200-275-10 200-275-11 200-311-12 200-311-13 200-311-14	

Owner(s)	Common Property Name	BPA[1] Acre Feet	APN(s)[2]	Well Number(s)[2]
			200-311-15 200-311-16 200-311-17 200-311-18 200-340-49 200-340-50 200-340-51 200-340-91 200-340-92 200-340-93 200-340-94 200-340-95 200-350-01 200-350-24 200-360-17 200-360-18 200-370-37 200-370-38 200-380-29 200-400-02 200-400-03 200-400-04 200-400-05 200-400-06 200-400-07 200-400-08 200-400-09 200-400-10 200-401-07 201-240-01	
T2 Farms LLC		485	140-070-31	010S006E09C001S (DEH1990-LWELL-6865)
Bagdasarian Farms, LLC[25]		1,142	140-070-15 140-070-20 140-070-28	DEH1990-LWELL-3907 DEH1981-LWELL-10728[26] DEH2011-LWELL-21069
Joel Vanasdlen		36	199-160-04 199-160-40	Unassigned
Michael C. Ward		82	141-030-28	DEH1991-LWELL-10402

[25] Successor-in-interest to Trojan Citrus, LLC.
[26] Currently inactive.

Owner(s)	Common Property Name	BPA[1] Acre Feet	APN(s)[2]	Well Number(s)[2]
Wisdom Gabriel B&Weis-Wisdom Diana Family 2008 Trust 08-01-08[27]		1	198-251-07-00 198-251-08-00	Unassigned
William D. Wright and Edna J. Wright, co-trustees of the Wright Family Living Trust 06-19-89		158	141-21-067	010S006E33C002S
TOTAL BPA		**24,293**		

[27] Full amount is water credit to BPA conversion.

Borrego Springs Watermaster
Board of Directors Meeting
March 10, 2022
AGENDA ITEM IV.B

To: Board of Directors

From: Samantha Adams, Technical Consultant

Date: March 7, 2022

Subject: Accept and File the Start-up Period and WY 2021 Financial Audit by LSL

✓ **Recommended Action**	☐ **Provide Direction to Staff**	☐ **Information and Discussion**
☐ **Fiscal Impact**	☐ **Cost Estimate: $**	

Recommended Action

Accept and file the Start-up Period and WY 2020 Financial Audit by LSL.

Fiscal Impact: None.

Background and Discussion

Section E.5 of the Judgment requires the Watermaster to file an Annual Report with the Court. Among other topics, the Annual Report must include a financial audit of all assessments and expenditures by Watermaster.

Watermaster contracted with Lance, Soll & Lunghard, LLP (LSL) to perform the financial audit for the startup period of the Watermaster. Enclosed for your review is the completed Start-up Period and WY 2021 Financial Audit by LSL.

Enclosures

Draft Start-up Period and WY 2021 Financial Audit by LSL

_____, 2022

To the Board of Directors
Borrego Springs Watermaster
Borrego Springs, California

We have audited the financial statements of the Borrego Springs Watermaster (the Watermaster) for the period ended September 30, 2021. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated January 6, 2022. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings and Other Issues

Qualitative Aspects of Significant Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Watermaster are described in the notes to the financial statements. No new accounting policies were adopted, and the application of existing policies was not changed during the period. We noted no transactions entered into by the Watermaster during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The financial statement disclosures are neutral, consistent, and clear.

Significant Unusual Transactions

Management is responsible for the policies and practices used to account for significant unusual transactions. No significant unusual transactions have occurred during the period.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. No misstatements were found.

DRAFT

To the Board of Directors
Borrego Springs Watermaster
Borrego Springs, California

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Circumstances that Affect the Form and Content of the Auditor's Report

New auditing standards were implemented in the period related to Statement of Auditing Standards 134, *Auditor Reporting and Amendments, Including Amendments Addressing Disclosures in the Audit of Financial Statements*. These standards updated the form and content of the financial statement auditor's report. The purpose of the change was to present an easier format for users to understand the results of the audit and management's responsibilities.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated _____, 2022.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Watermaster's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues Discussed with Management

We generally discuss a variety of matters, including the significant events or transactions that occurred during the year, business conditions affecting the Watermaster and business plans and strategies that may affect the risks of material misstatements, the application of accounting principles and auditing standards, with management each year prior to retention as the Watermaster's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

The following new Governmental Accounting Standards Board (GASB) pronouncements were effective for fiscal year 2020-2021 audit:

GASB Statement No. 84, *Fiduciary Activities.*

GASB Statement No. 90, *Majority Equity Interests - an Amendment of GASB Statement Nos. 14 and 61.*

DRAFT

To the Board of Directors
Borrego Springs Watermaster
Borrego Springs, California

The following GASB pronouncements are effective in the following fiscal years' audits and should be reviewed for proper implementation by management:

Fiscal year 2022

GASB Statement No. 87, *Leases.*

GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period.*

GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans.*

Fiscal year 2023

GASB Statement No. 91, *Conduit Debt Obligations.*

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangement.*

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements.*

Restriction on Use

This information is intended solely for the use of the Board of Directors and management of the Borrego Springs Watermaster and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Lance, Soll & Lunghard, LLP

Brea, California

DRAFT

BORREGO SPRINGS WATERMASTER

FOR THE PERIOD ENDED SEPTEMBER 30, 2021 FINANCIAL STATEMENTS

DRAFT

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BORREGO SPRINGS WATERMASTER

FINANCIAL STATEMENTS

For the Period of Inception (March 31, 2020) through September 30, 2021

DRAFT

BORREGO SPRINGS WATERMASTER

FINANCIAL STATEMENTS
For the Period of Inception (March 31, 2020) through September 30, 2021

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DRAFT

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Borrego Springs Watermaster
Borrego Springs, California

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the Borrego Springs Watermaster (the Watermaster) as of and for the period of inception (March 31, 2020) through September 30, 2021, and the related notes to the financial statements, which collectively comprise the Watermaster's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Borrego Springs Watermaster as of September 30, 2021, and the changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Watermaster and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Watermaster's ability to continue as a going concern for twelve months beyond the date of the financial statements.

DRAFT

To the Board of Directors
Borrego Springs Watermaster
Borrego Springs, California

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Watermaster's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Watermaster's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Reporting Responsibilities

Required Supplementary Information

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

DRAFT

To the Board of Directors
Borrego Springs Watermaster
Borrego Springs, California

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated _____, 2022 on our consideration of the Watermaster's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Watermaster's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Watermaster's internal control over financial reporting and compliance.

Lance, Soll & Lunghard, LLP

Brea, California
_____, 2022

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BORREGO SPRINGS WATERMASTER

STATEMENT OF NET POSITION
September 30, 2021

ASSETS	
Cash and cash equivalents (Note 2)	$ 706,710
Accounts Receivable	107,940
TOTAL ASSETS	814,650
LIABILITIES	
Accounts payable	76,583
TOTAL LIABILITES	76,583
NET POSITION	
Unrestricted	738,067
TOTAL NET POSITION	$ 738,067

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See accompanying independent auditors' report and accompanying notes to the basic financial statements.

BORREGO SPRINGS WATERMASTER

STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET POSITION
For the Period of Inception (March 31, 2020) through September 30, 2021

OPERATING REVENUES	
Administrative assessments (Note 1)	$ 1,159,489
Reimbursements	119,043
Total operating revenues	1,278,532
OPERATING EXPENSES	
Meter Read Expenses	3,364
Consulting Services	392,222
Legal fees	67,274
Licenses and Permits	247
Office Supplies	78
Reimbursements	76,895
Website Hosting	385
Total operating expenses	540,465
OPERATING INCOME	738,067
CHANGE IN NET POSITION	738,067
NET POSITION AT BEGINNING OF PERIOD	-
TOTAL NET POSITION AT END OF PERIOD	$ 738,067

DRAFT

See accompanying independent auditors' report and accompanying notes to the basic financial statements.

BORREGO SPRINGS WATERMASTER

STATEMENT OF CASH FLOWS
For the Period of Inception (March 31, 2020) through September 30, 2021

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from parties to the judgment	$ 1,170,592
Cash payments to suppliers for goods and services	(475,350)
Net cash provided by operating activities	695,242
NET INCREASE IN CASH AND CASH EQUIVALENTS	695,242
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	-
CASH AND CASH EQUIVALENTS AT END OF PERIOD	$ 695,242
RECONCILIATION OF OPERATING INCOME TO NET CASH USED FOR OPERATING ACTIVITIES	
OPERATING INCOME	$ 738,067
Adjustment to reconcile operating income to net cash used by operating activities:	
(Increase)/Decrease in accounts receivable	(107,940)
Increase/(Decrease) in accounts payable	65,115
Net cash provided by operating activities	$ 695,242

NONCASH INVESTING AND FINANCING ACTIVITIES:

There were no noncash investing, capital or financing activities during the fiscal year endeed September 30, 2021.

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See accompanying independent auditors' report and accompanying notes to the basic financial statements.

BORREGO SPRINGS WATERMASTER

NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Period of Inception (March 31, 2020) through September 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Nature of Organization

In January 2020, a complaint seeking a comprehensive adjudication of the groundwater rights of the Basin was filed by the BWD in the Superior Court for San Diego County, pursuant to Code of Civil Procedure (CCP) sections 830, et seq (*Borrego Water District v. All Persons Who Claim a Right to Extract Groundwater in the Borrego Valley Groundwater Subbasin, et al.*, San Diego Superior Court case no. 37-2020-00005776-CU-TT-CTL). The proposed Stipulated Judgment was filed with the Court pursuant to a Settlement Agreement that was signed by Settling Parties that are responsible for over 90 percent of the groundwater pumping in the Basin. The Settlement Agreement also provided for the establishment of an Interim Borrego Springs Watermaster to assume responsibility for the sustainable management of the Basin pursuant to the terms of the Judgment until finalized by the Court. The Interim Borrego Springs Watermaster held its first meeting on March 31, 2020.

On April 8, 2021, the honorable Judge Peter Wilson of the CA Superior Court for the County of Orange granted the motion for entry of the Stipulated Judgment (Judgment) which adjudicated the groundwater rights of the Borrego Spring Subbasin. As stated in Section II.F of the Judgement, the Court found that the Physical Solution for the Basin, which is comprised of the Judgment and *Groundwater Management Plan for the Borrego Springs Subbasin*, is consistent with California Water Code (CWC) Section 10737.8 and is a prudent, legal, and durable means to achieve sustainable groundwater management within the Basin as intended by Sustainable Groundwater Management Act.

The Watermaster held its first official meeting as a Court-appointed entity on April 8, 2021.

B. Basis of Accounting and Financial Statement Presentation

The Watermaster incorporates proprietary fund accounting which is similar to the principles applied to a business in the private sector. Revenues earned and expenses incurred are recognized and classified on an accrual basis. The measurement focus is on determination of financial position, changes in net position, and cash flows.

In accordance with GASB No. 20, the Watermaster's Proprietary Funds follow all GASB statements issued prior to November 30, 1989, until subsequently amended, superseded, or rescinded. The Watermaster also applies all FASB statements issued after November 30, 1989 that are developed for business enterprises unless those statements conflict with or contradict a GASB statement.

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NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The classification of net position into three classifications are as follows:

Invested in capital assets - This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation.

Restricted - This component of net position consists of constraints placed on net position use through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of governments or constraints imposed by law through constitutional provisions or enabling legislation. There was no restricted net position at September 30, 2021.

Unrestricted - This component of net position consists of net position that does not meet the definition of "restricted" or "invested in capital assets."

C. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

D. Cash and Cash Equivalents

For the purposes of the statements of cash flows, cash equivalents are defined as short-term, highly liquid investments that are both readily convertible to known amounts of cash or so near their maturity that they present insignificant risk of changes in value because of changes in interest rates, and have an original maturity date of three months or less.

F. Classification of Revenue

As an enterprise (proprietary) fund, the Watermaster classifies its revenues into two classifications: operating and nonoperating revenues.

Operating revenues are defined as revenues realized by Watermaster in exchange for providing its primary services for administering the judgment. Nonoperating revenues are those derived from the investment of cash and cash equivalents.

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BORREGO SPRINGS WATERMASTER

NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Period of Inception (March 31, 2020) through September 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Assessments

Administrative assessments are levied on the parties to the judgment in an amount sufficient to fund the costs of administering the judgment. During the year ended September 30, 2021, the assessment was $48 per acre foot to fund start-up activities. The future assessment will be $20 per acre foot.

If necessary, replacement water assessments will be recommended to the Watermaster Board at levels needed to meet the water obligation of each party for the previous calendar year.

NOTE 2 – CASH AND CASH EQUIVALENTS

Cash and cash equivalents are presented on the Statement of Net Position as follows at September 30, 2021. Total demand deposits at September 30, 2021 was $706,710.

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors
Borrego Springs Watermaster
Borrego Springs, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Borrego Springs Watermaster (the Watermaster) as of and for the period of inception (March 31, 2020) through September 30, 2021, and the related notes to the financial statements, which collectively comprise the Watermaster's basic financial statements, and have issued our report thereon dated _____, 2022.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Watermaster's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Watermaster's internal control. Accordingly, we do not express an opinion on the effectiveness of the Watermaster's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Watermaster's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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To the Board of Directors
Borrego Springs Watermaster
Borrego Springs, California

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Watermaster's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Watermaster's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Lance, Soll & Lunghard, LLP

Brea, California
_____, 2022

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Borrego Springs Watermaster
Board of Directors Meeting
March 10, 2022
AGENDA ITEM IV.C

To: Board of Directors

From: Samantha Adams, Executive Director

Date: March 10, 2022

Subject: DWR Prop 68 Grant Update

✓ **Recommended Action**	☐ **Provide Direction to Staff**	☐ **Information and Discussion**
☐ **Fiscal Impact**	☐ **Cost Estimate: $**	

Recommended Action

Discuss and request any desired changes to the scope and budget of the Prop 68 Grant project submission for *Monitoring, Reporting, and GMP Update for Sustainable Management in the Borrego Springs Subbasin*

Fiscal Impact: Potential to increase grant funds available to the Watermaster.

Background and Previously Related Actions by the Board

At its February 2, 2022 Special Board meeting, the Board approved three projects for submission to the BWD's Project Review Committee for consideration of inclusion in the Prop 68 Grant Spending Plan. Two of the three Watermaster projects were included in the Spending Plan by the PRC:

- Monitoring, Reporting, and GMP Update for Sustainable Management in the Borrego Springs Subbasin ($1,983,250 funding request)
- Biological Restoration of Fallowed Lands ($755,340 funding request)

Prior to final submission of the Watermaster projects, the Board modified the project *Monitoring, Reporting, and GMP Update for Sustainable Management in the Borrego Springs Subbasin* to reduce the scope of work and budget to better fit into the grant Spending Plan. The changes reduced the grant funding request from $3,684,000 to $1,983,250, as follows:

- Task 1 – Groundwater Pumping Monitoring: removed a portion of the data collection costs associated with wells monitored by manual-read meters; reduced the cost of de minimis pumper engagement to reflect policies that are related only to new de minimis pumpers. Reduced grant funding request by: $36,000
- Task 2 – Groundwater Level Monitoring: removed well siting study for a new monitoring well, removed aquifer testing workplan/implementation; corrected error that double counted cost-share. Reduced grant funding request by $109,000 as follows:
    - $65,000 – Aquifer Testing

  - $25,000 – Monitoring

- Task 3 – Groundwater Quality Monitoring: corrected error that double counted a portion of the cost-share. Reduced grant funding request by: $10,000
- Task 5 – Construct New Monitoring Facilities: removed construction of new monitoring well; removed GDE monitoring facilities. Reduced grant funding request by $950,000 as follows:
  - $750,000 - Construct multi- completion monitoring well
  - $200,000 - Construct and equip a shallow duel-nested monitoring well facility and a surface-water monitoring station within the potential groundwater-dependent ecosystem near the Borrego Sink
- Task 9 - Redetermine Sustainable Yield by 2025: reduced scope of work and cost to no longer accelerate the schedule to update the surface and groundwater modeling tools. Revised cost reflects only those scope items approved by the TAC in the technical plan prepared in 2021. Reduced grant funding request by: $347,750
- Task 11 – Based on discussions with DWR staff, adjusted the cost to reflect the reimbursable costs associated with project review and stakeholder outreach that occurs in Board and TAC meetings. Reduced grant funding request by: $170,000
- Task 12 – Project Management and Grant Reporting: reduced the cost of project management to reflect the reduced scope of work in the project. Reduced grant funding request by: $83,000

Discussion

After review of the proposed Spending Plan prepared by the PRC, the DWR eliminated three projects from consideration because they did not meet the grant eligibility criteria. The removal of the ineligible projects reduced the grant Spending Plan from $10,903,600 to $5,841,090. As a result of this finding, at its March 8, 2022 Special Board meeting the BWD Board of Directors voted to resubmit the Spending Plan at $5,841,090 to the DWR. This final spending plan is less than the available funding for the Borrego Springs Subbasin of $7.6 million.

Watermaster staff requested the opportunity for the Watermaster Board to take a final look at the *Monitoring, Reporting, and GMP Update for Sustainable Management in the Borrego Springs Subbasin* project to determine if there is interest in revisiting items that were cut from the project to fit the Spending Plan, or potentially add additional scope to support the construction of a new DWR monitoring well being implemented under the BWD's Technical Support Services grant (refer to Agenda Item IV.F for the March 10, 2022 Board meeting).

Any requests to modify the scope and budget of the Watermaster project would be considered for amendment into the Spending Plan at a Special Board meeting of the BWD on March 11, 2022.

Borrego Springs Watermaster
Board of Directors Meeting
March 10, 2022
AGENDA ITEM IV.D

To: Board of Directors

From: Andy Malone, Technical Consultant

Date: March 7, 2022

Subject: Letter to BWD and DWR authorizing BWD to represent the projects submitted by the Watermaster under the 2021 SGMA Implementation Project for the Borrego Springs Subbasin

✓ **Recommended Action**	☐ **Provide Direction to Staff**	☐ **Information and Discussion**
☐ **Fiscal Impact**	☐ **Cost Estimate: $**	

Recommended Action

Approve the enclosed letter to BWD and DWR authorizing BWD to represent the projects submitted by the Watermaster under the 2021 SGMA Implementation Project for the Borrego Springs Subbasin.

Fiscal Impact: None.

Background and Discussion

DWR issued the 2021 SGMA Implementation Guidelines and Proposal Solicitation Package (PSP) for the SGM Grant Program, which requested a $10 million dollar spending plan for the grant application. The Watermaster submitted three (3) proposed projects for consideration of inclusion as part of the spending plan:

1. Monitoring, Reporting, and GMP Update for Sustainable Management in the Borrego Springs Subbasin
2. Biological Restoration of Fallowed Lands
3. Groundwater Dependent Ecosystems (GDE) Monitoring Program

Since the Borrego Water District (BWD) is the grant applicant on behalf of the Borrego Springs Subbasin, DWR has requested a letter, enclosed herein, authorizing BWD to represent the projects submitted by the Watermaster under the 2021 SGMA Implementation Project for the Borrego Springs Subbasin.

Enclosures

Draft letter to BWD and DWR authorizing BWD to represent the projects submitted by the Watermaster under the 2021 SGMA Implementation Project for the Borrego Springs Subbasin.

Borrego Springs Watermaster

c/o West Yost • 23692 Birtcher Drive • Lake Forest, CA 92630

February 28, 2022 SENT VIA: EMAIL

California Department of Water Resources (DWR)
Attn: Kelley List, PG
SGM Grant Program Programmatic Project Manager
Financial Assistance Branch
Division of Regional Assistance
Post Office Box 942836
Sacramento, CA 95814
Email: Kelley.List@water.ca.gov

Borrego Water District (BWD)
Attn: Kathy Dice, President of the Board
806 Palm Canyon Drive
Borrego Springs, CA 92004

Subject: DWR Grant Process

To the Directors of the Borrego Water District and the Department of Water Resources,

The Borrego Springs Watermaster (Watermaster) is contacting the Borrego Water District (BWD) as the applicant for the Sustainable Groundwater Management Act Implementation Grant (Grant) opportunity being solicited by the California Department of Water Resources (DWR) under its Sustainable Groundwater Management (SGM) Grant Program. DWR issued the 2021 SGMA Implementation Guidelines and Proposal Solicitation Package (PSP) for the SGM Grant Program, which requested a $10 million dollar spending plan for the grant application. The Watermaster submitted three (3) proposed projects for consideration of inclusion as part of the spending plan:

1. Monitoring, Reporting, and GMP Update for Sustainable Management in the Borrego Springs Subbasin
2. Biological Restoration of Fallowed Lands
3. Groundwater Dependent Ecosystems (GDE) Monitoring Program

This letter authorizes BWD to represent these three projects submitted by the Watermaster under the Implementation Project for the Borrego Springs Subbasin.

Respectfully,

The Borrego Springs Watermaster

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Board of Directors
David Duncan (Chairperson) • Shannon Smith (Vice Chairperson)
• Mike Seley • Mark Jorgensen • Jim Bennett

Samantha Adams, Executive Director
Borrego Springs Watermaster

Borrego Springs Watermaster
Board of Directors Meeting
March 10, 2022
AGENDA ITEM IV.E

To: Board of Directors

From: Andy Malone, Technical Consultant

Date: March 7, 2022

Subject: Agendas for Technical Advisory Committee and Environmental Working Group

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✓ **Recommended Action** ☐ **Provide Direction to Staff** ☐ **Information and Discussion**

☐ **Fiscal Impact** ☐ **Cost Estimate: $0**

Recommended Action

1. Approve the agenda for the next Technical Advisory Committee (TAC) meeting, with any recommended changes.
2. Approve the agenda for the next Environmental Working Group (EWG) meeting, with any recommended changes.

Fiscal Impact: None. These meetings were included in the Watermaster WY 2022 budget.

Background and Previously Related Actions by the Board

The TAC and EWG meet at the direction of the Watermaster Board. The Board approved a specific scope of work and budget for the TAC and EWG to execute in water year 2022, which includes periodic meetings to coordinate work and discuss results. There are also grant-related topics for the TAC and EWG to discuss.

Recommended TAC Agenda

The next TAC meeting will likely be scheduled for April 2022. The recommended agenda items for the TAC meeting are:

1. **Status update on a planned DWR monitoring well in the Borrego Springs Subbasin funded through the DWR's Technical Support Services grant.** Topics of discussion may include, but are not limited to: monitoring well location, well design, ongoing well maintenance and monitoring, the potential for a second monitoring well, etc.
2. **Status update on the update of the Borrego Valley Hydrologic Model (BVHM) to support the update of the Sustainable Yield in 2025.** Watermaster staff will provide an update on their efforts to assess the ability of the BVHM to accurately estimate pumping. The discussion will include an update on the acquisition of historical groundwater-level data from the DWR and obtaining access to monitor private wells.

3. **Methodology to estimate annual storage change in the Borrego Springs Subbasin.** Watermaster staff will recap the recent effort to estimate annual storage change in the basin, and solicit TAC discussion on the methodology that was used to estimate storage change.
4. **TAC input on the Prop 68 grant application and the DOC grant application.** Watermaster staff will update the TAC on the recent efforts by Borrego Water District and the County of San Diego to obtain grant funding for Watermaster-related efforts and solicit TAC discussion and any recommendations for the Board.
5. **Next steps in WY 2022: Water Quality Monitoring Plan.** Watermaster staff will update the TAC on its upcoming effort to prepare a "monitoring gap analysis," the first step in the development of the Water Quality Monitoring Plan as required by the Judgment.

Recommended EWG Agenda

The next EWG meeting will likely be scheduled for March 21, 2022. This will be an all-day, in-person meeting at the Steele/Burnand Anza-Borrego Desert Research Center. The recommended agenda items for the EWG meeting are:

1. **(9am – 1pm) Field Tour**
    - Mesquite Bosque near the Borrego Sink
    - Various sites in the agricultural areas of the North Management Area
2. **(1pm-2pm) Break/Lunch**
3. **(2pm-5pm) In-Person Meeting (virtual attendance option also available)**
    - Biological Restoration Workplan
        - Review workplan submitted by Watermaster for Prop 68 grant application
        - Discuss potential parcels for biological restoration case-study
        - Discuss recent grant funding opportunity
    - GDE Monitoring Workplan
        - Review workplan submitted by Watermaster for Prop 68 grant application
        - Discuss re-submission of workplan for a revised grant application

Borrego Springs Watermaster
Board of Directors Meeting
March 10, 2022
AGENDA ITEM IV.F

To: Board of Directors

From: Andy Malone, Technical Consultant

Date: March 7, 2022

Subject: Borrego Water District Request for Watermaster Staff Support for Monitoring Well Construction under the DWR Technical Support Services Grant

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✓ **Recommended Action** ✓ **Provide Direction to Staff** ✓ **Information and Discussion**

✓ **Fiscal Impact** ✓ **Cost Estimate: $50,000**

Recommended Action

1. Discuss the request from Borrego Water District (BWD) for Watermaster Staff support to construct a monitoring well under the DWR Technical Support Services (TSS) Grant.
2. Provide direction to Staff or take any action as deemed necessary.

Fiscal Impact: The Borrego Water District estimates that the cost for the Watermaster to support the TSS grant implementation during water years 2022 and 2023 would be approximately $50,000. This effort was not included in the Watermaster water year 2022 budget, and if approved, would need to be funded by issuing a special assessment or from cash reserves.

Background

Watermaster Staff received a letter from the BWD, through Dudek, requesting that the Borrego Springs Watermaster provide administrative, legal, and technical support services for implementation of the California Department of Water Resources' (DWR) Technical Support Services (TSS) grant to construct a monitoring well in the Borrego Springs Subbasin. The letter is attached to this memo. The BWD anticipates that Watermaster Staff assistance would be needed during water years 2022 and 2023, and that the cost for the Watermaster to support the TSS grant implementation would be approximately $50,000.

Discussion

Watermaster Staff and Legal Counsel can provide support services to construct the monitoring well. Watermaster Staff has not prepared a detailed scope of work or cost estimate to provide the support services.

Enclosures

Letter from Dudek to Watermaster Staff, dated March 3, 2022.

DUDEK
MAIN OFFICE
605 THIRD STREET
ENCINITAS, CALIFORNIA 92024
T 800.450.1818 F 760.632.0164

March 3, 2022 12846.02

Samantha Adams, Executive Director
Borrego Springs Watermaster
23692 Birtcher Drive
Lake Forest, California 92630

Subject: Borrego Springs Technical Support Services (TSS) Grant Request for Watermaster staff Support

Dear Samantha Adams:

On behalf of the Borrego Water District (BWD), Dudek is requesting the Borrego Springs Watermaster provide administrative, legal and technical support services for implementation of the California Department of Water Resources' (DWR) Technical Support Services (TSS) grant for the Borrego Springs Subbasin (Basin).

1 Project Background

Several years ago, the BWD submitted a TSS grant application to the DWR for two projects: 1) Viking Ranch Well conversion from production well to monitoring well and 2) Drilling and construction of a new monitoring well located at the Steele/Burnand Anza-Borrego Desert Research Center.

The DWR recently contacted the BWD and indicated that DWR TSS is able to fund a monitoring well(s) for the Basin with planning work to begin in January 2022. The DWR will fund approximately 1,200 feet of total monitoring well construction, provide one round of water quality sampling collection and will consider equipping the monitoring wells with pressure transducers with telemetry to enable monitoring of groundwater levels remotely. DWR estimates the value of the award to the Basin at approximately $1M to $1.5M from the TSS grant depending on final drilling depth and monitoring well design.

The DWR has indicated that the TSS program is not eligible to fund pump removal or remediation of down-well turbine lubricating oil. As such, the DWR requested that the Viking Ranch Well conversion be removed from the TSS grant application.

The DWR has also requested that the Basin's Technical Advisory Committee (TAC) weigh in on the proposed location of the monitoring well and specifically identify data gaps, such as those listed in the Groundwater Management Plan, that the proposed monitoring well would help fill. The potential location of new monitoring wells was deliberated at the TAC meeting held on December 14, 2021. The consensus of the TAC is to drill and construct a new monitoring well at Location #1 (Figure 1). There are three primary property owners in this area of the Basin. Dudek reached out to one of the property owners who has agreed to begin negotiating an easement for the drilling and construction of a new monitoring well. DWR requires a minimum 20-year access agreement for monitoring wells.

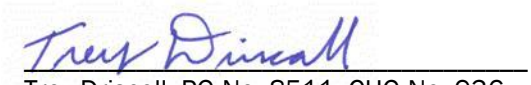
As part of scoping for the Proposition 68 grant, it was determined that due to the age of the existing monitoring network and lack of long-term access agreements, that inclusion of a second monitoring well to the TSS grant application is justified. Dudek coordinated with the State Park regarding the proper abandonment of the Hanna (Flowers) well (potentially to be funded in part by Proposition 68 grant) and replacement with a new monitoring well along Henderson Canyon Road (to be included as a second well in the TSS grant application). The State Park indicated that indicated that abandonment of Hanna (Flowers) and installation of a replacement on State Park land is a "No Go" (Pers. Comm. Terry Gerson 2/11/2022). Watermaster and BWD staff may continue to monitor Hanna (Flowers) well by foot access only. The TAC is in the process of soliciting additional input regarding the preferred location for a second monitoring well. Dudek is currently coordinating with the DWR regarding the specifics of the monitoring wells to be funded by the TSS grant. Trey Driscoll will serve as the primary point of contact for this project with the DWR for the Basin and coordinate with interested parties such as the Watermaster, TAC and Basin stakeholders.

DWR will not reimburse BWD or Watermaster costs or consultant costs for this project. These costs will be the responsibility of each respective agency. DWR will directly fund all drilling and well construction costs and all DWR project management and construction management costs.

We anticipate that the 2022-23 cost for the Watermaster to support the TSS grant would be approximately $50,000 and would need to be directly funded by the Watermaster. This budgetary estimate may increase or decrease depending on the actual scope of work necessary to implement the project. BWD will also fund TSS grant coordination and implementation support directly and looks forward to collaborating with the Watermaster and Basin stakeholders in regard to this matter.

If you have any questions or require further discussion, please contact me at tdriscoll@dudek.com or 760.415.1425.

Sincerely,



Trey Driscoll, PG No. 8511, CHG No. 936
Principal Hydrogeoloigst

cc: Andy Malone, West Yost

Borrego Springs Watermaster
Board of Directors Meeting
March 10, 2022
AGENDA ITEM IV.G

To: Board of Directors

From: Andy Malone, Technical Consultant

Date: March 7, 2022

Subject: Letter of Support for Grant Application: Multibenefit Land Repurposing Program

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✓ Recommended Action **☐ Provide Direction to Staff** **☐ Information and Discussion**

☐ Fiscal Impact **☐ Cost Estimate: $0**

Recommended Actions

Approve the enclosed letter of support for the County of San Diego's grant application to the California Department of Conservation for funding under the Multibenefit Land Repurposing Program.

Fiscal Impact: None.

Discussion

The County of San Diego is planning on applying for a grant being solicited by the California Department of Conservation (DOC) called the Multibenefit Land Repurposing Program (MLRP):

https://www.conservation.ca.gov/dlrp/grant-programs/Pages/Multibenefit-Land-Repurposing-Program.aspx

The MLRP "seeks to increase regional capacity to repurpose agricultural land to reduce reliance on groundwater while providing community health, economic wellbeing, water supply, habitat, and climate benefits." The MLRP is funded by the Budget Act of 2021 (SB 170, Ch. 240, Stat. 2021). About $50 million has been allocated to the DOC to fund groundwater sustainability projects that reduce groundwater use, repurpose irrigated agricultural land, and provide wildlife habitat. Grant applications are due on April 1, 2022.

The County envisions grant funding would be used for desert restoration of fallowed farmland. If funding becomes available, the County will begin outreach activities to solicit project ideas and identify willing participants.

To support the grant application, the County is looking for the Watermaster (as the de facto Groundwater Sustainability Agency for the Borrego Springs Subbasin) to consider approval of a letter of support/partnership with the County. A draft letter of support is attached to this memo with signatures blocks for the Executive Director and Chairman of the Watermaster Board.

Enclosures

Draft letter of support to the California Department of Conservation

Borrego Springs Watermaster

c/o West Yost • 23692 Birtcher Drive • Lake Forest, CA 92630

Subject: Letter of Support for the County of San Diego's Borrego Springs Land Repurposing Project (California Department of Conservation Multi-benefit Land Repurposing Program)

To Whom It May Concern,

It is understood that the County of San Diego (County) will be submitting a grant application to the California Department of Conservation Multi-benefit Land Repurposing Program (DOC Program) to support groundwater sustainability efforts in the critically-overdrafted Borrego Springs Subbasin (Basin). The DOC Program requires grant applicants to partner with the Groundwater Sustainability Agency (GSA) in the Basin and for the GSA to provide a support letter for the project. On March 10, 2022, the Borrego Springs Watermaster (BSWM), as the functioning GSA for the Basin, approved the request by the County to partner and support the County's efforts to implement the Borrego Springs Land Repurposing Project (Borrego Project) if grant funding becomes available.

In accordance with the Stipulated Judgment (approved in Orange County Superior Court on April 8, 2021), the BSWM is responsible for complying with the Sustainable Groundwater Management Act (SGMA) and implementing the Alternative to the Groundwater Sustainability Plan (Alternative) in the Basin. The five-person BSWM Board comprises a representative from each of the Borrego Water District, Agricultural Community, Recreational Community (Golf Courses), At-Large Community, and the County of San Diego.

As a matter of course, staff of the BSWM provide technical support and facilitate public meetings of both the BSWM and the Environmental Working Group (EWG). The EWG was established to advise and further the mission of the BSWM to implement the Alternative and comply with SGMA by focusing on protecting human health and the environment. The EWG includes environmental expertise from Steele/Burnand Anza-Borrego Desert Research Center, the California State Parks, and community representation to connect the agricultural community to individuals and resources to aid in effective environmental restoration.

The EWG is currently funded by the BSWM to develop a biological restoration plan which includes a description of various methods for restoring lands within fallowed agricultural properties. The BSWM looks forward to County staff participating in future EWG public meetings in the development of the biological restoration plan as an important element to aid the County's efforts to develop a Multi-Benefit Land Repurposing Plan (Plan) for the Basin. That Plan will be important to implement the Borrego Project. These public EWG and BSWM meetings will also provide a venue to present updates and solicit feedback on the Borrego Project.

In addition to participation at EWG meetings, BSWM staff will work with County staff to ensure groundwater use reductions are accurately quantified to meet SGMA requirements and are proceeding as planned for properties affected by the Borrego Project.

Sincerely,

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Samantha Adams, Executive Director
Borrego Springs Watermaster

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Dave Duncan
Chairman, Board of Directors

DRAFT

Board of Directors
David Duncan (Chairperson) • Shannon Smith (Vice Chairperson) • Mike Seley • Mark Jorgensen • Jim Bennett